



DoD's Materiel and
Distribution Management

**FACT
BOOK**

Fiscal Year 1998



ACQUISITION AND
TECHNOLOGY

**OFFICE OF THE DEPUTY UNDER SECRETARY OF DEFENSE
FOR LOGISTICS
3500 DEFENSE PENTAGON
WASHINGTON DC 20301-3500**

DoD's Materiel and Distribution Management Fact Book contains general information about secondary item supply and distribution operations for FY 98. Also, the Fact Book presents historical information from FY 90 through FY 98 where needed to highlight important trends. The Fact Book provides general information only and does not represent official correspondence.

Walter D. Atchley
Acting Assistant Deputy Under Secretary of Defense
(Materiel & Distribution Management)

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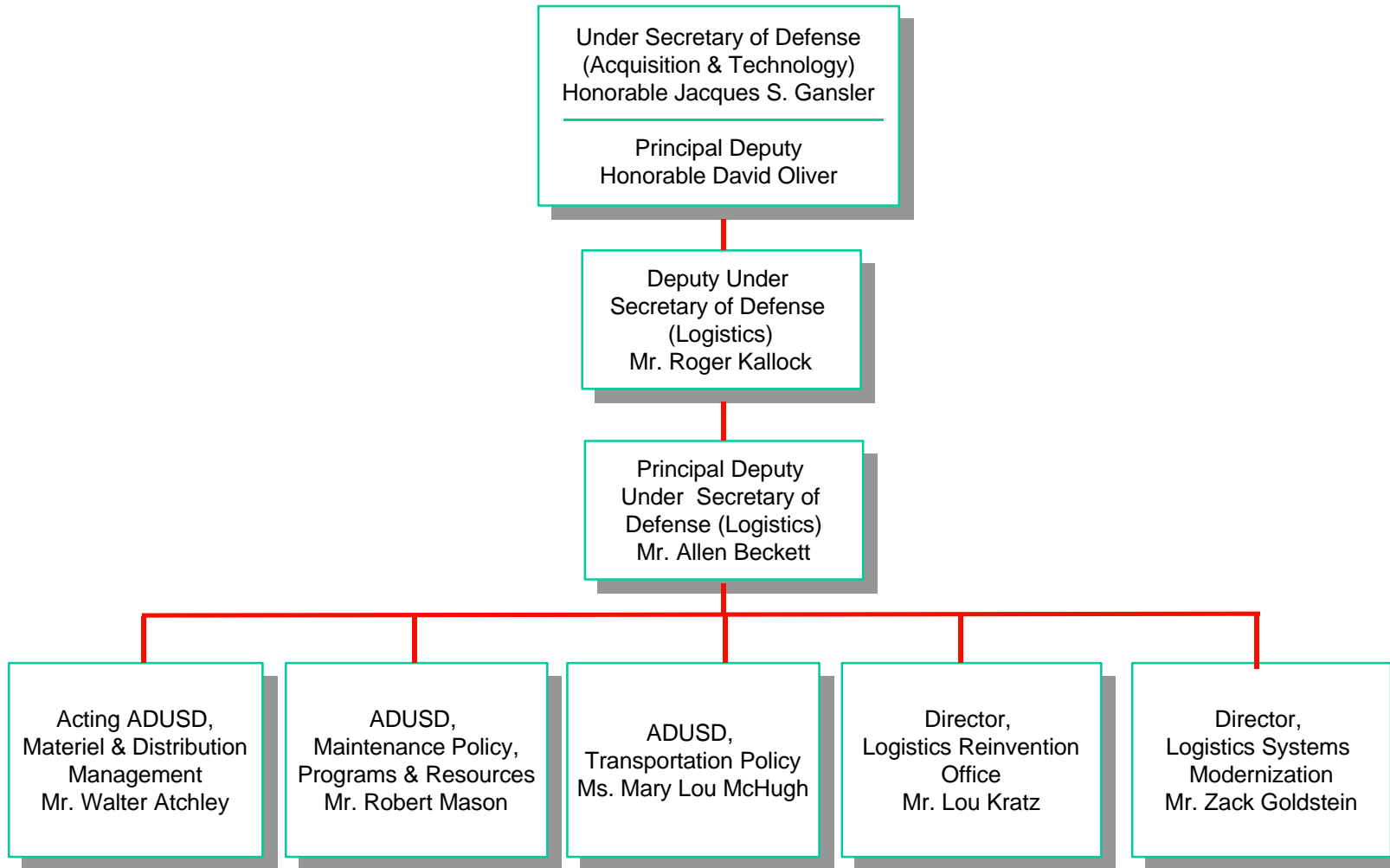
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Acronym List

ADUSD	Assistant Deputy Under Secretary of Defense
AMCOM	U.S. Army Aviation Missile Command
CALS	Continuous Acquisition and Lifecycle Support
CECOM	U.S. Army Communications-Electronics Command
CONUS	Continental United States
DESC	Defense Energy Support Center
DLA	Defense Logistics Agency
DLMSO	Defense Logistics Management Standards Office
DSCC	Defense Supply Center, Columbus
DSCP	Defense Supply Center, Philadelphia
DSCR	Defense Supply Center, Richmond
ICP	Inventory Control Point
LMARS	Logistics Metric Analysis Reporting System
MCLB	Marine Corps Logistics Base
NAVICP	Naval Inventory Control Point
OC-ALC	Oklahoma City Air Logistics Center
OO-ALC	Ogden Air Logistics Center
SA-ALC	San Antonio Air Logistics Center
SM-ALC	Sacramento Air Logistics Center
TACOM	U.S. Army Tank-automotive and Armaments Command
WCF	Working Capital Fund
WR-ALC	Warner-Robins Air Logistics Center

OSD Logistics Organization



As of May 21, 1999

Logistics Vision

By 2006, the joint logistics process will be a highly efficient, integrated system that ensures required support to the warfighter.

Logistics Mission Statement

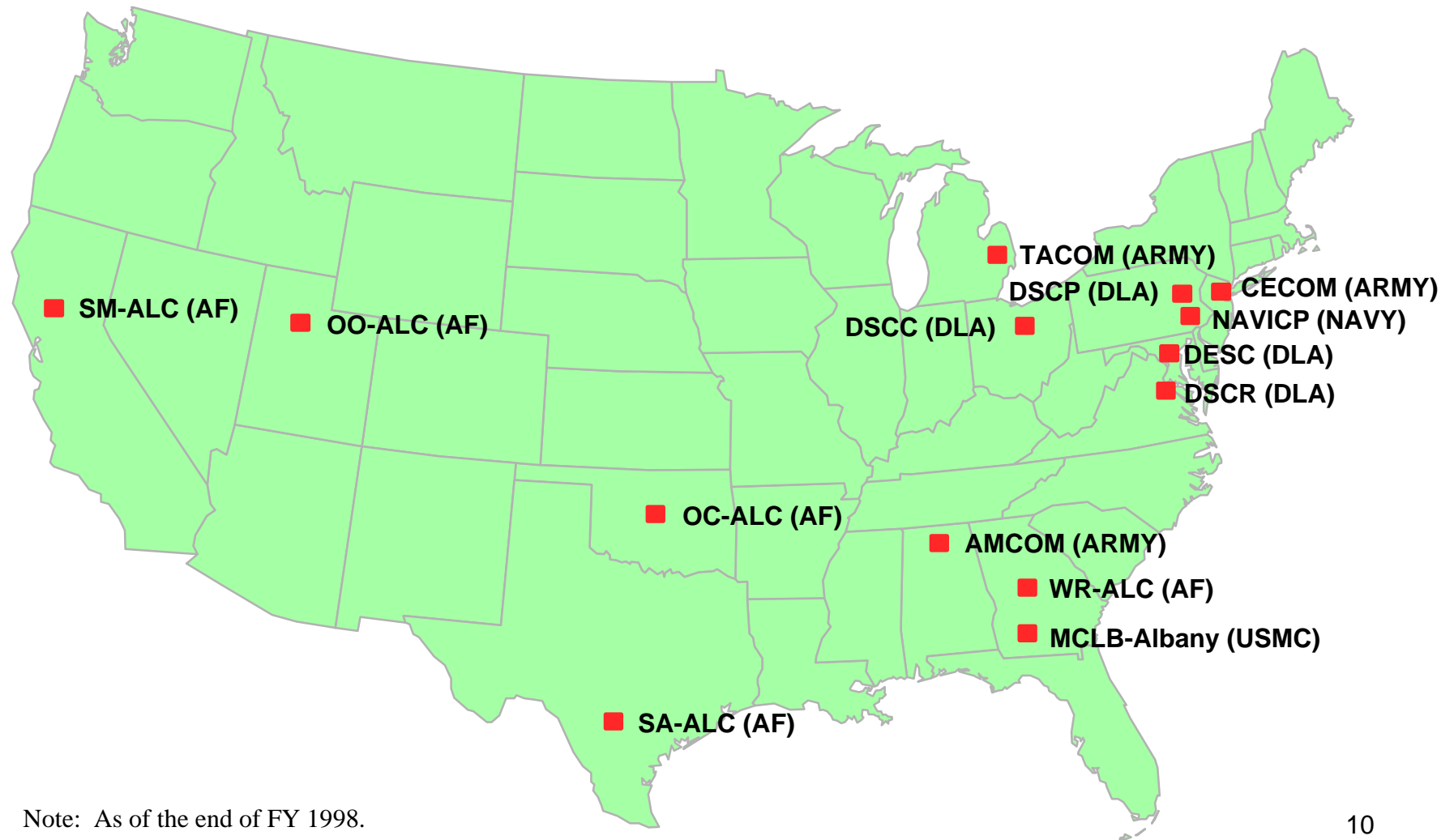
To provide responsive and cost-effective logistics support to ensure readiness and sustainability for the Total Force across the spectrum of military operations.

DoD Logistics Strategic Plan

1999 Objectives

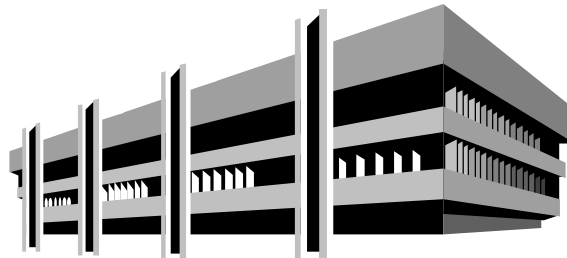
1. Optimize support to the warfighter.
2. Improve strategic mobility to meet warfighter requirements.
3. Implement Customer Wait Time (CWT) as the DoD logistics metric.
4. Fully implement joint Total Asset Visibility (TAV) across DoD.
5. Reengineer/modernize applicable logistics processes/systems.
6. Minimize logistics costs while meeting warfighter requirements.

Supply Management Inventory Control Point

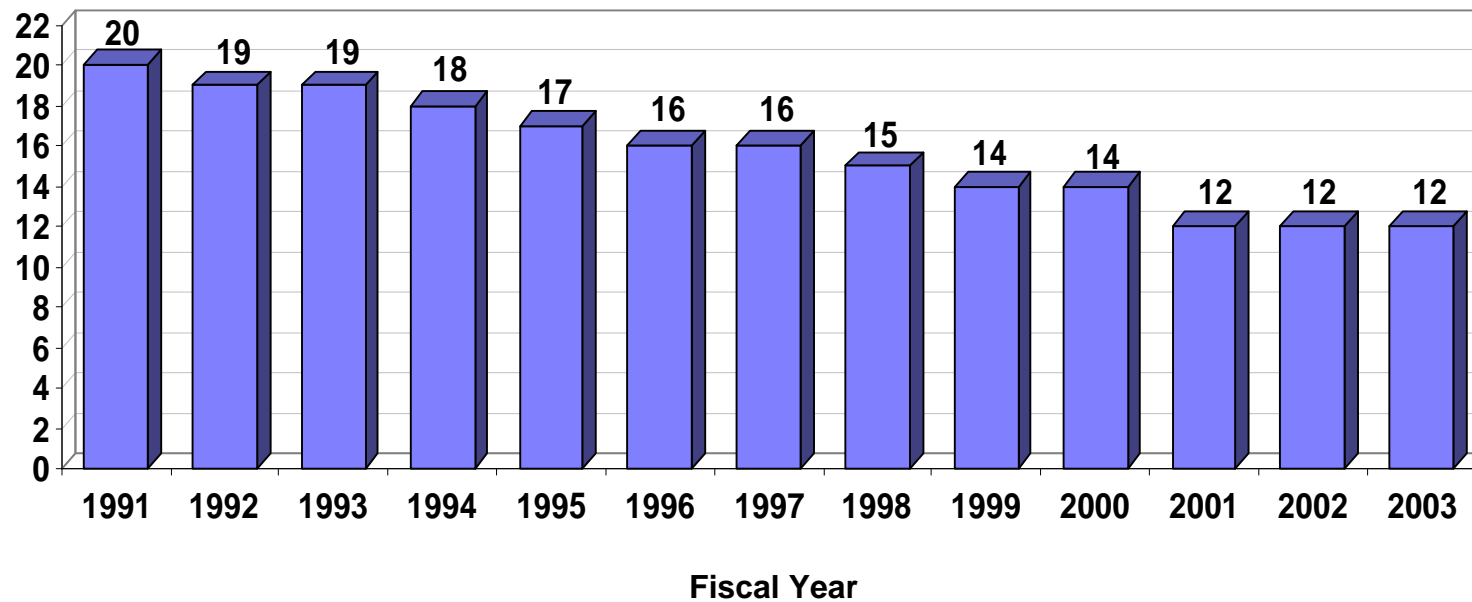


Note: As of the end of FY 1998.

Inventory Control Point Plan

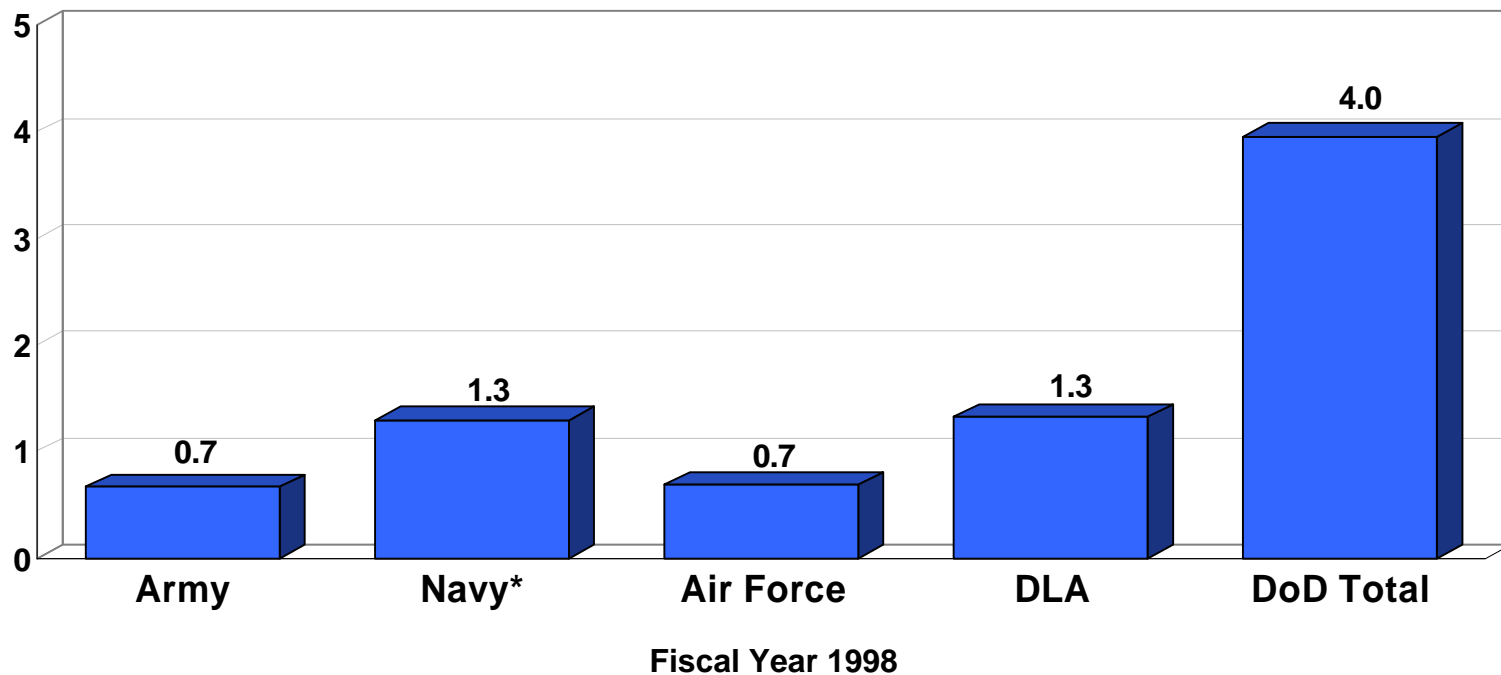


Number of ICP's



Wholesale Supply Management Cost of Operations

Current Year - \$ Billions

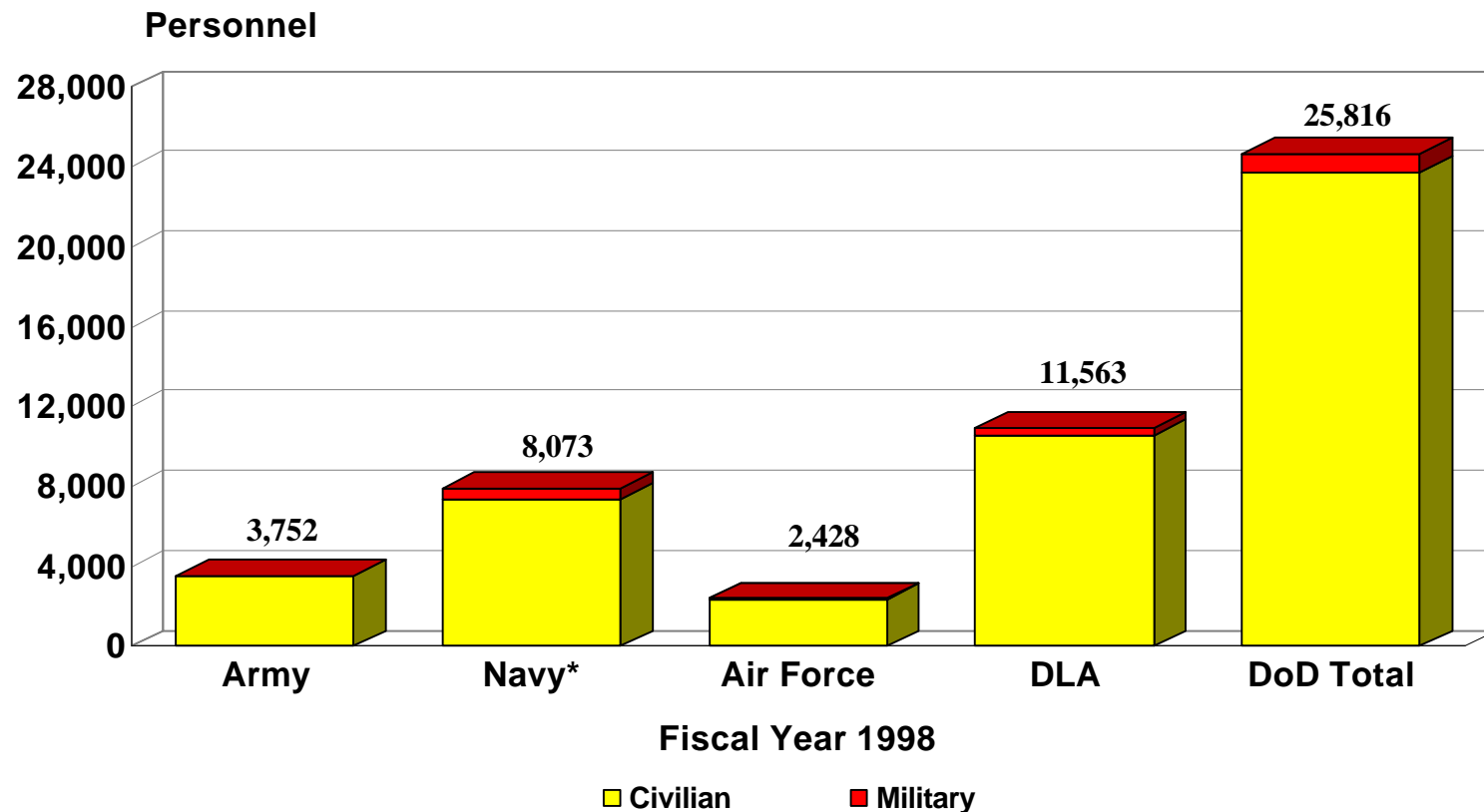


* Includes Marine Corps

Air Force and DLA's
numbers are estimates.

Source: FY 2000/2001 President's Budget Submissions, February 1999

Wholesale Supply Management Personnel (Military & Civilian)

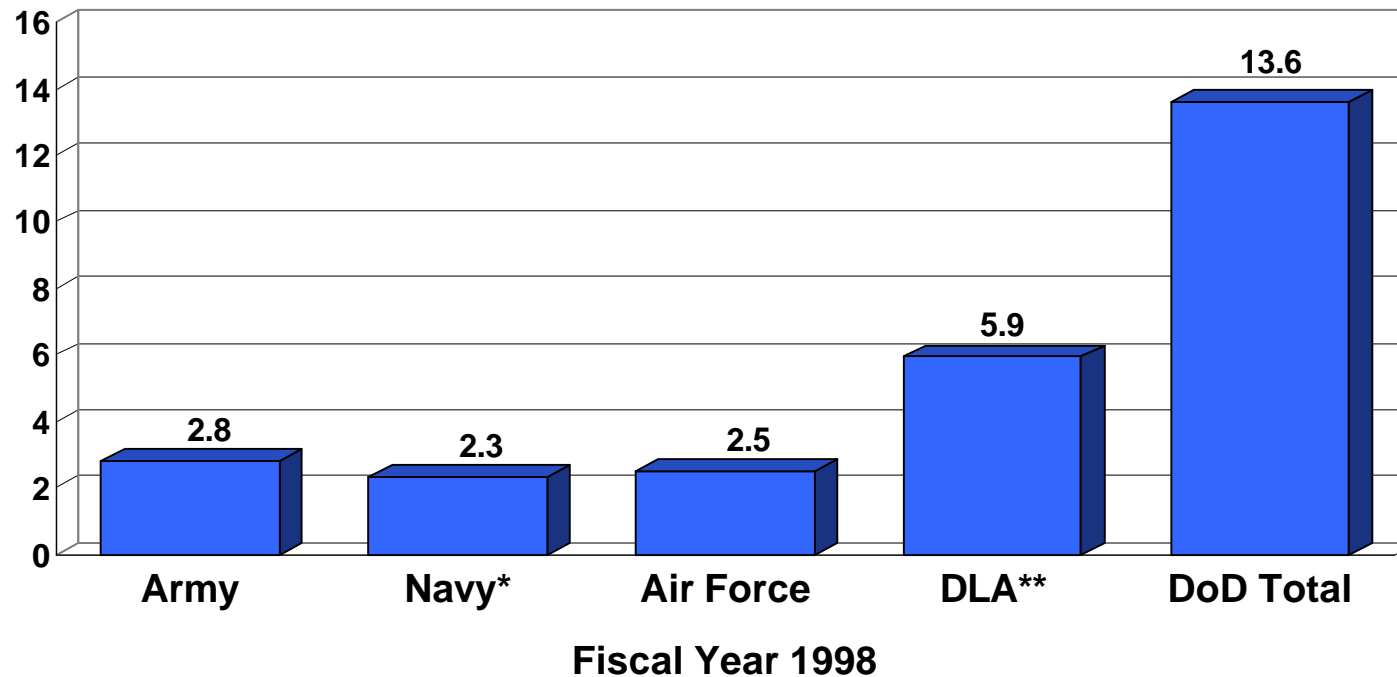


* Includes Marine Corps

Source: FY 2000/2001 President's Budget Submissions, February 1999

Net Wholesale Materiel Sales

Current Year - \$ Billions at Latest Acquisition Cost



* Includes Marine Corps, Estimate may include retail.

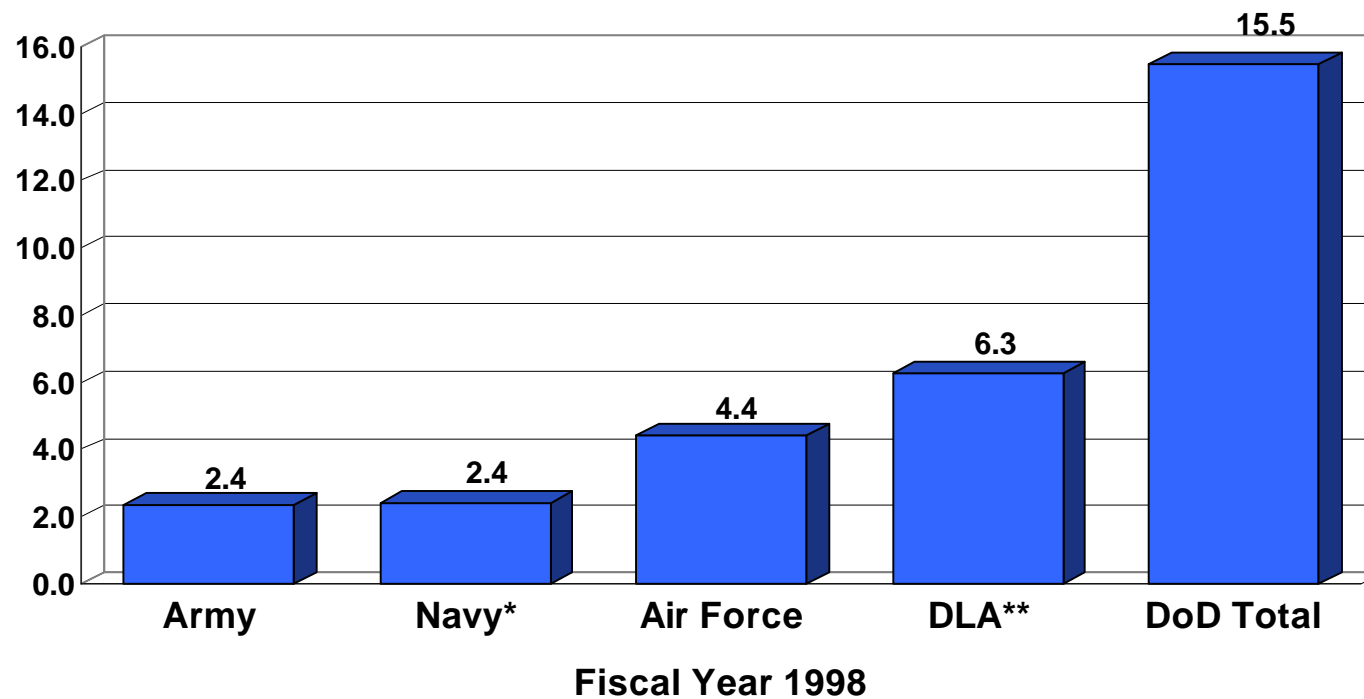
** Does not include sales of petroleum, natural gas, coal, etc.

Air Force's and Navy's numbers are estimates.

Source: FY 2000/2001 President's Budget Submissions, February 1999

Wholesale Materiel Obligations

Current Year - \$ Billions at Latest Acquisition Cost



* Includes Marine Corps

** Does not include petroleum, natural gas, coal, etc.

Source: FY 2000/2001 President's Budget Submissions, February 1999

Petroleum Summary

FY 1998
Current Year – \$ Billions

- Net Purchases at cost \$3.77*
- Net sales at cost \$4.32**
- Ending inventory \$1.22

* Includes product, transportation, services, operations, and losses

** Includes Natural Gas

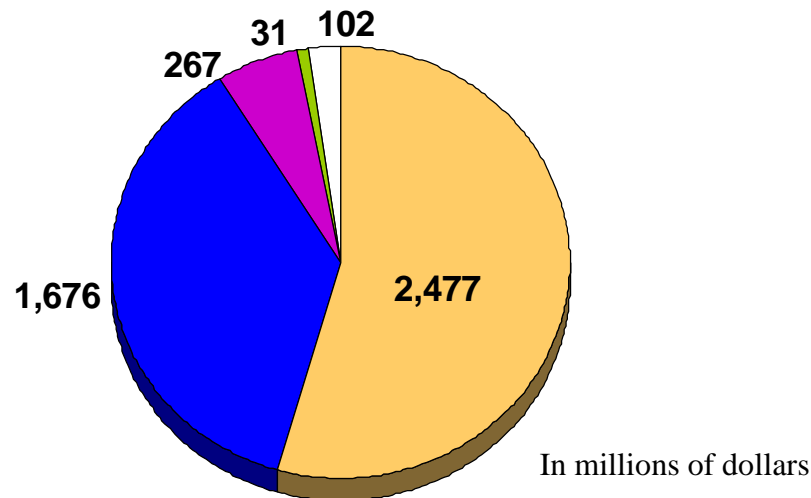
Source: Defense Energy Support Center's Directorate of Resources Management

1998 Statement of Sales

Petroleum and Natural Gas

By Service

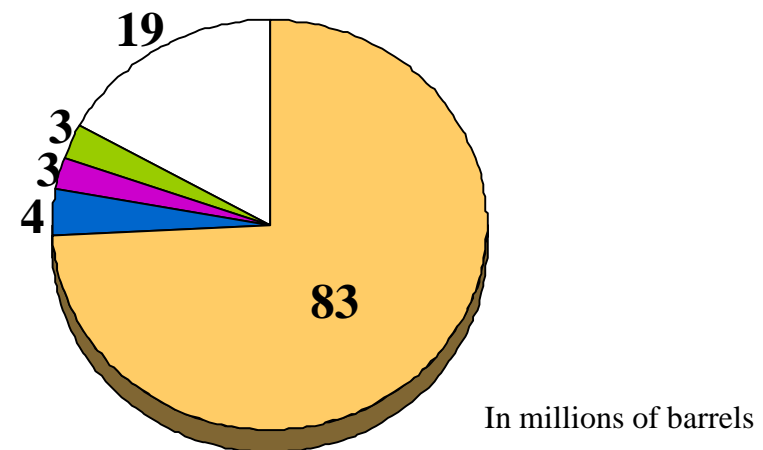
Total : \$4,553 million



- AIR FORCE
- NAVY
- ARMY
- MARINES
- OTHER (gov't agencies, other DoD)

Petroleum Products

Total: 111.3 million barrels



- JET FUEL
- POSTS, CAMPS AND STATIONS
- INTO PLANE
- SHIP'S BUNKERS
- OTHER (diesel, distillates, mogas, lube oils, avgas, residuals)

Energy Products

See www.desc.dla.mil/main/publicati.htm for more info

1998 Sales by Product

- **NATURAL GAS**

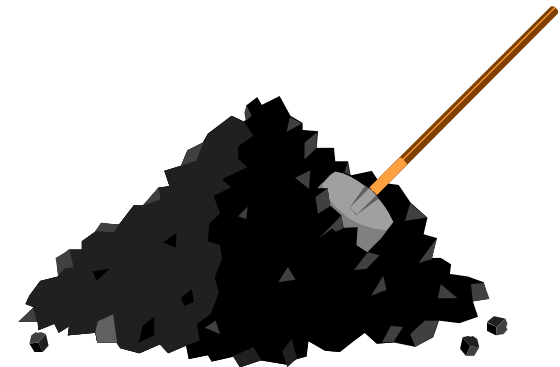
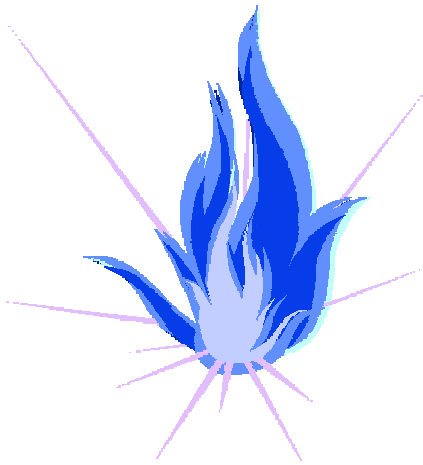
- 77 million DTHs
- \$ 195 million

- **COAL**

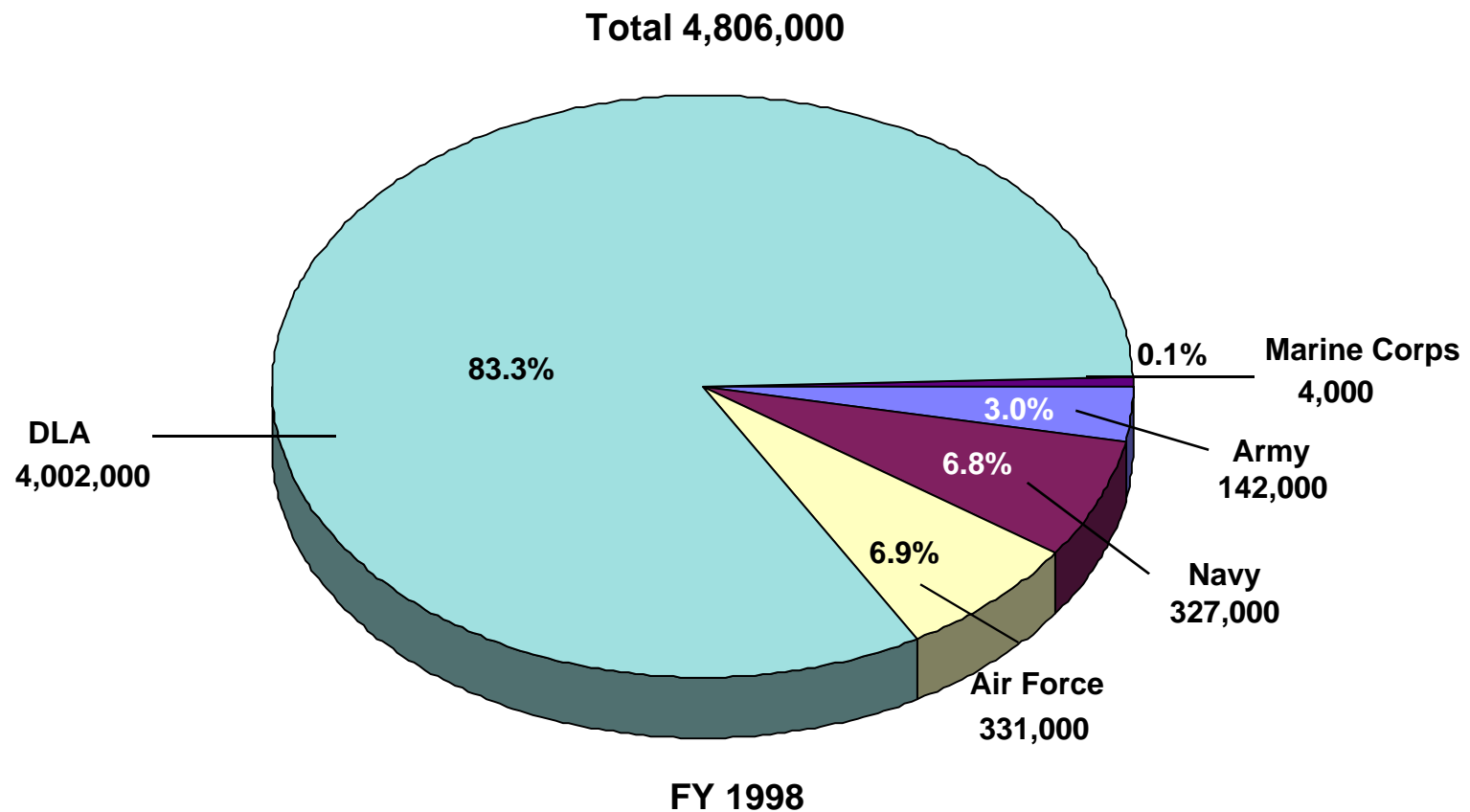
- 944,000 short tons
- \$ 43.1 million

- **ELECTRICITY**

- DESC issued first RFP in Nov 1997



Number of DoD Items Managed by Component

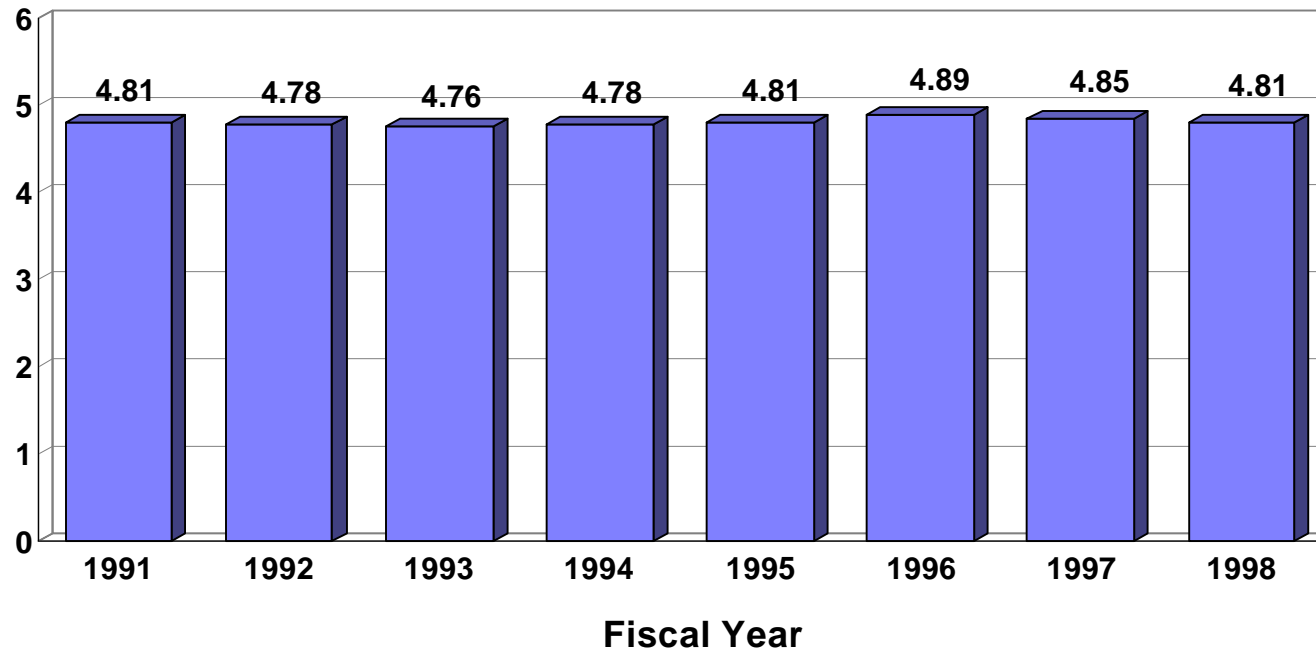


Note: Year-end total for Primary Control Activity Items

Source: Defense Logistics Information System

Number of DoD Items Managed

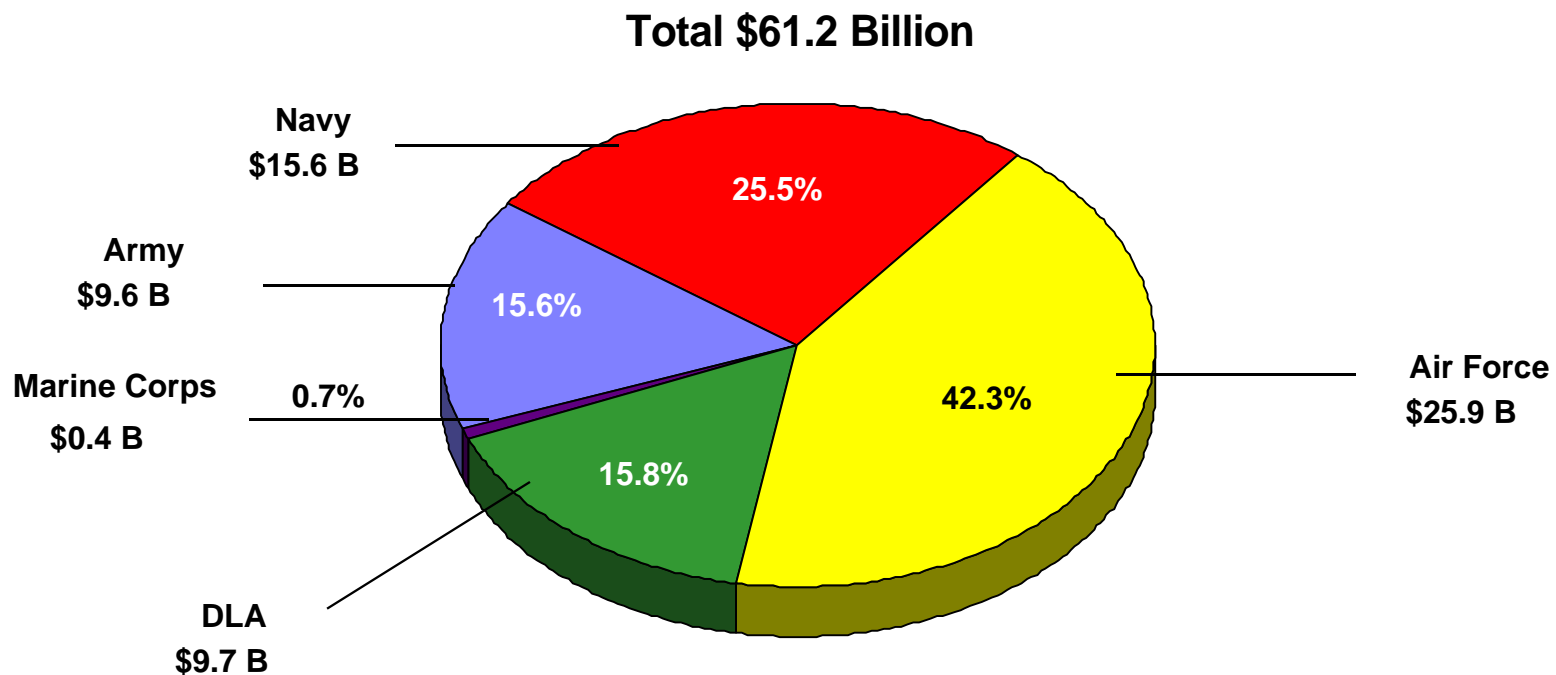
Millions



Note: Year-end total for Primary Control Activity Items

Source: Defense Logistics Information System

Secondary Item Inventory by Component



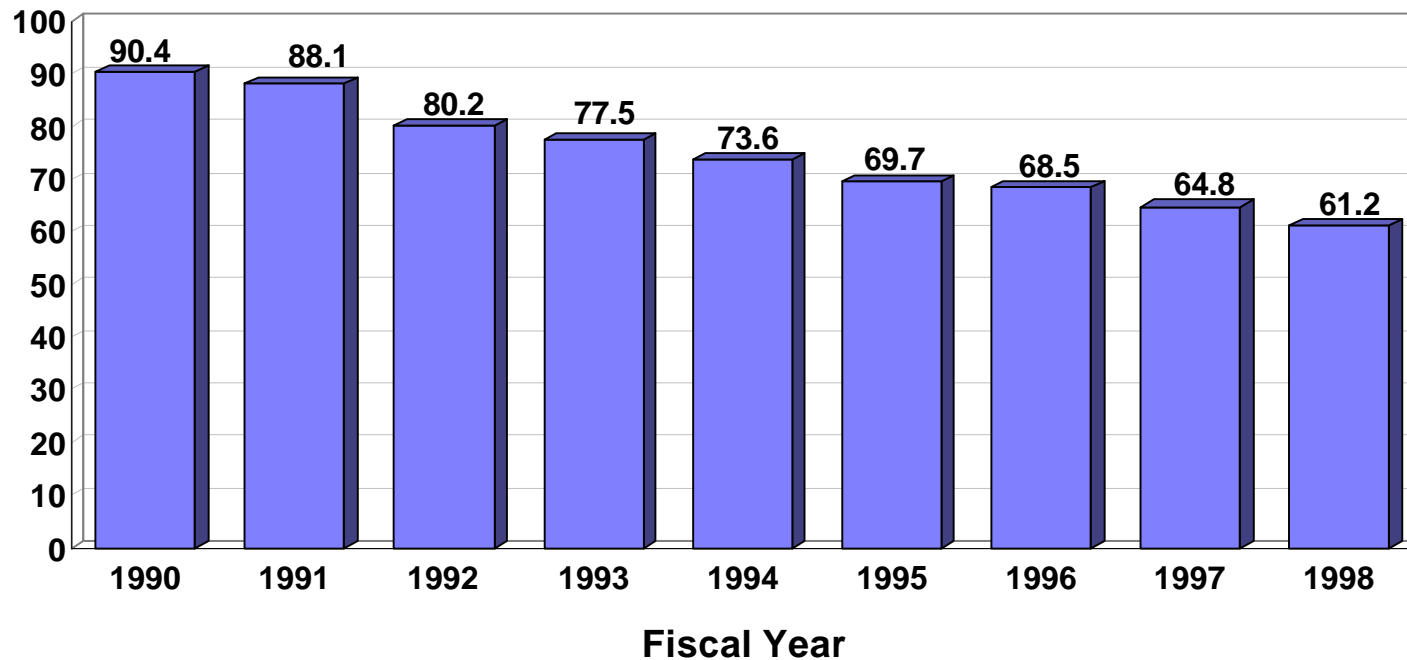
FY 1998

Current Year - \$ Billions

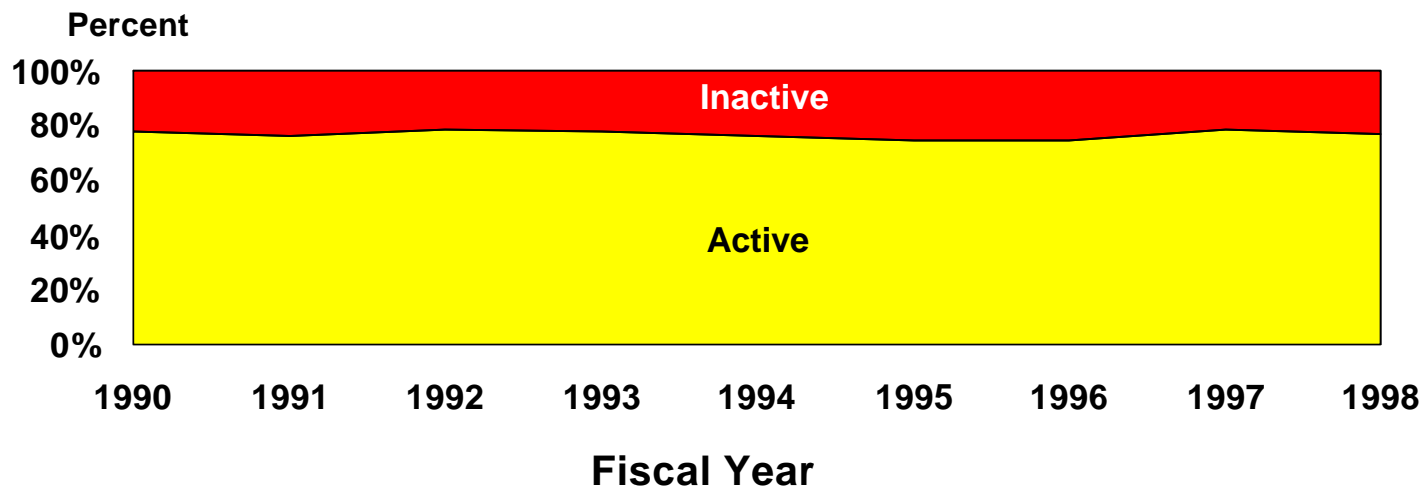
at DoD Latest Acquisition Cost Method of Valuation

DoD Secondary Inventory Value

Current Year - \$Billions at DoD Latest
Acquisition Cost Method of Valuation



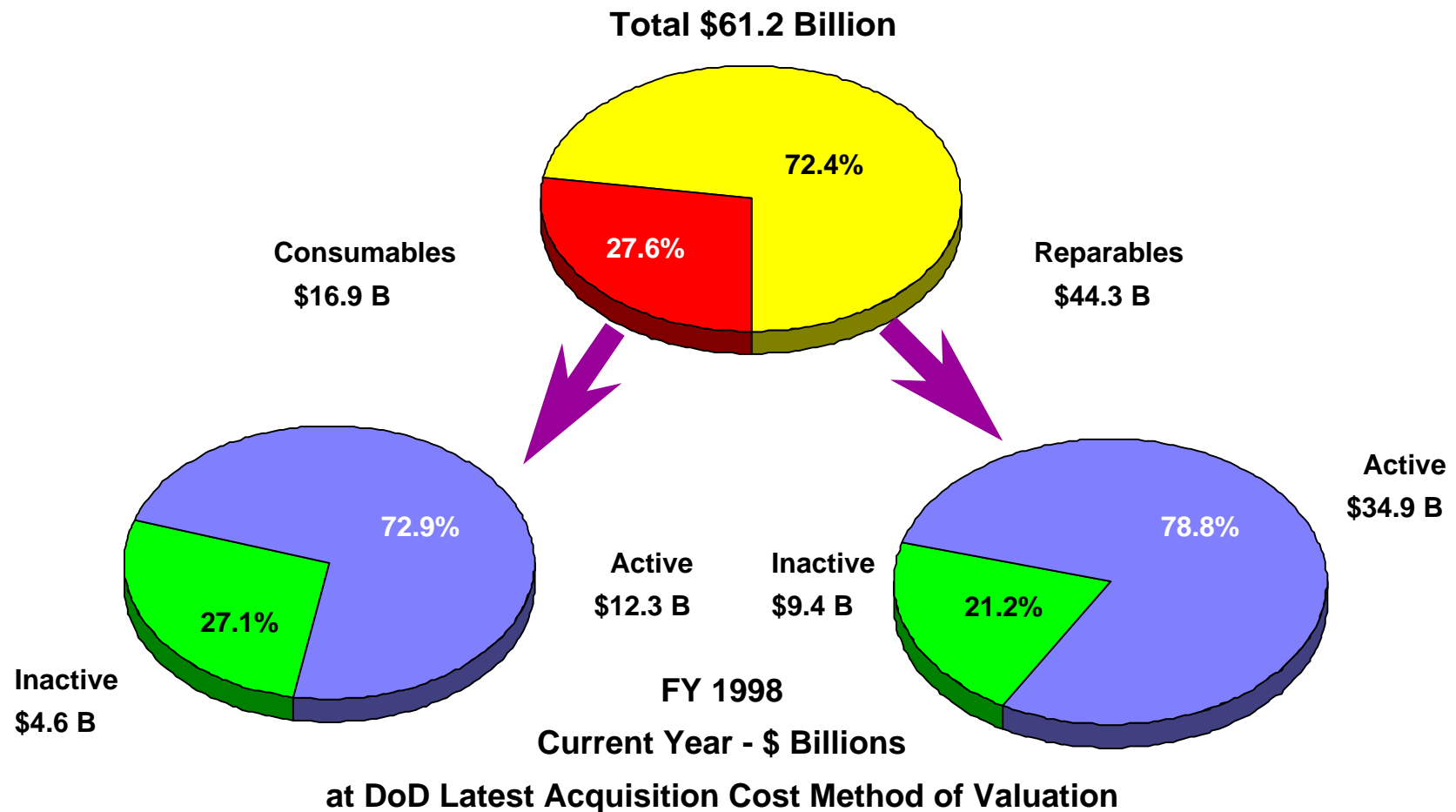
DoD Active Inventory and Inactive Inventory to Total Inventory



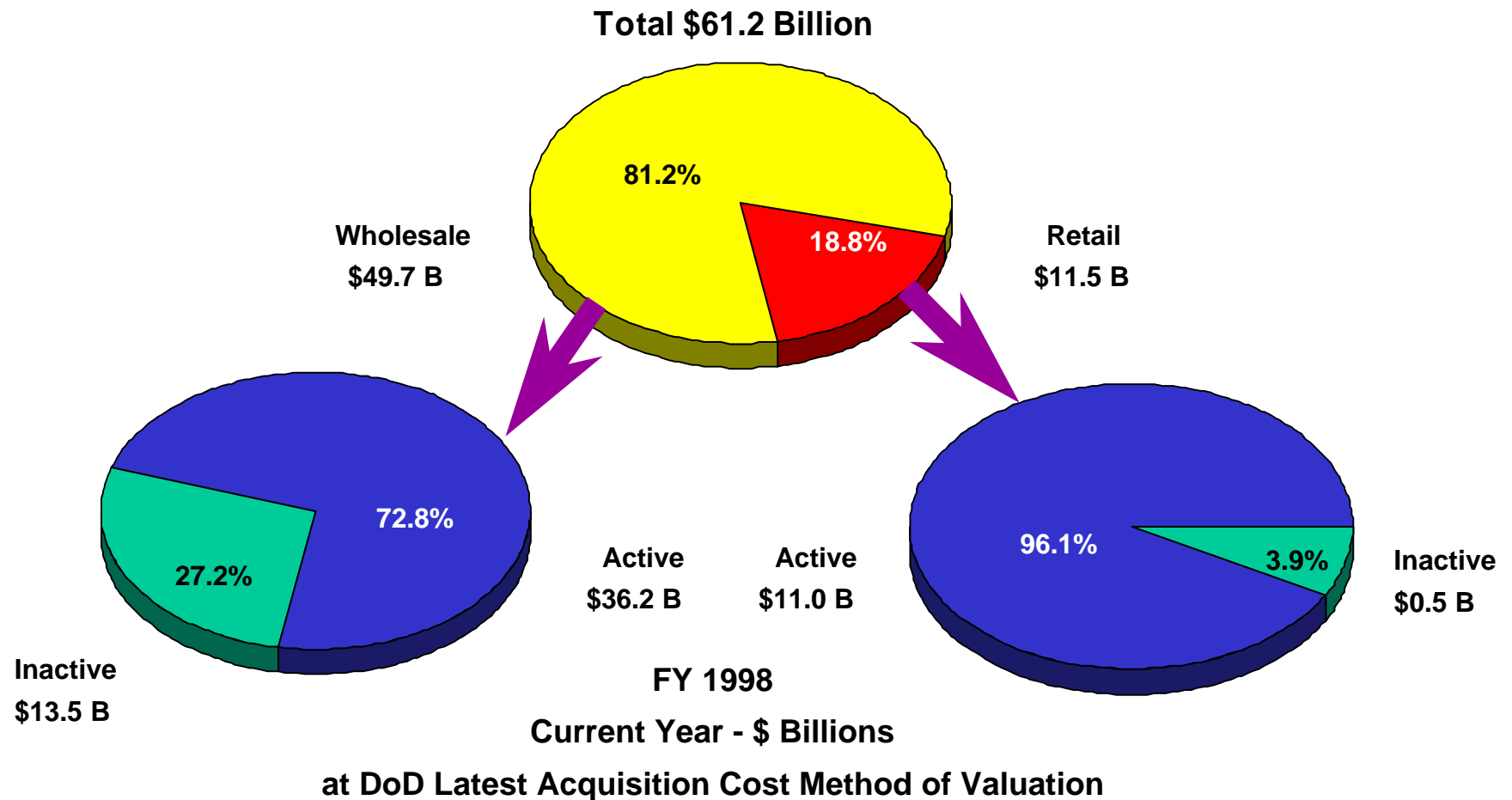
Inventory	1990	1991	1992	1993	1994	1995	1996	1997	1998
Active	70.1	66.8	63.0	60.3	55.9	51.8	51.2	50.7	47.2
Inactive	20.3	21.3	17.2	17.2	17.7	17.9	17.2	14.1	14.0
Total	90.4	88.1	80.2	77.5	73.6	69.7	68.5	64.8	61.2

Current Year - \$ Billions at DoD Latest Acquisition Cost Method of Valuation

Secondary Inventory by Item Type

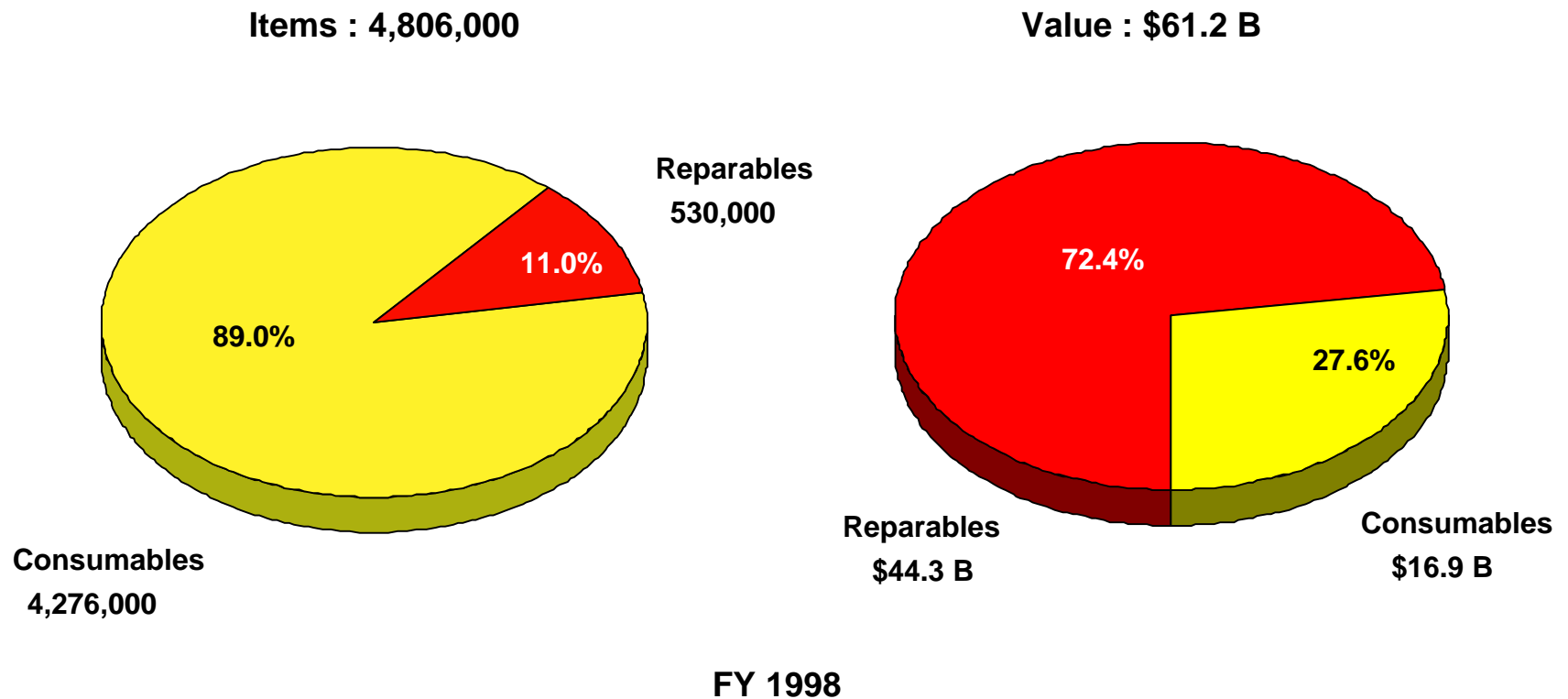


Secondary Inventory by Management Level



Source: Supply System Inventory Report as of September 30, 1998

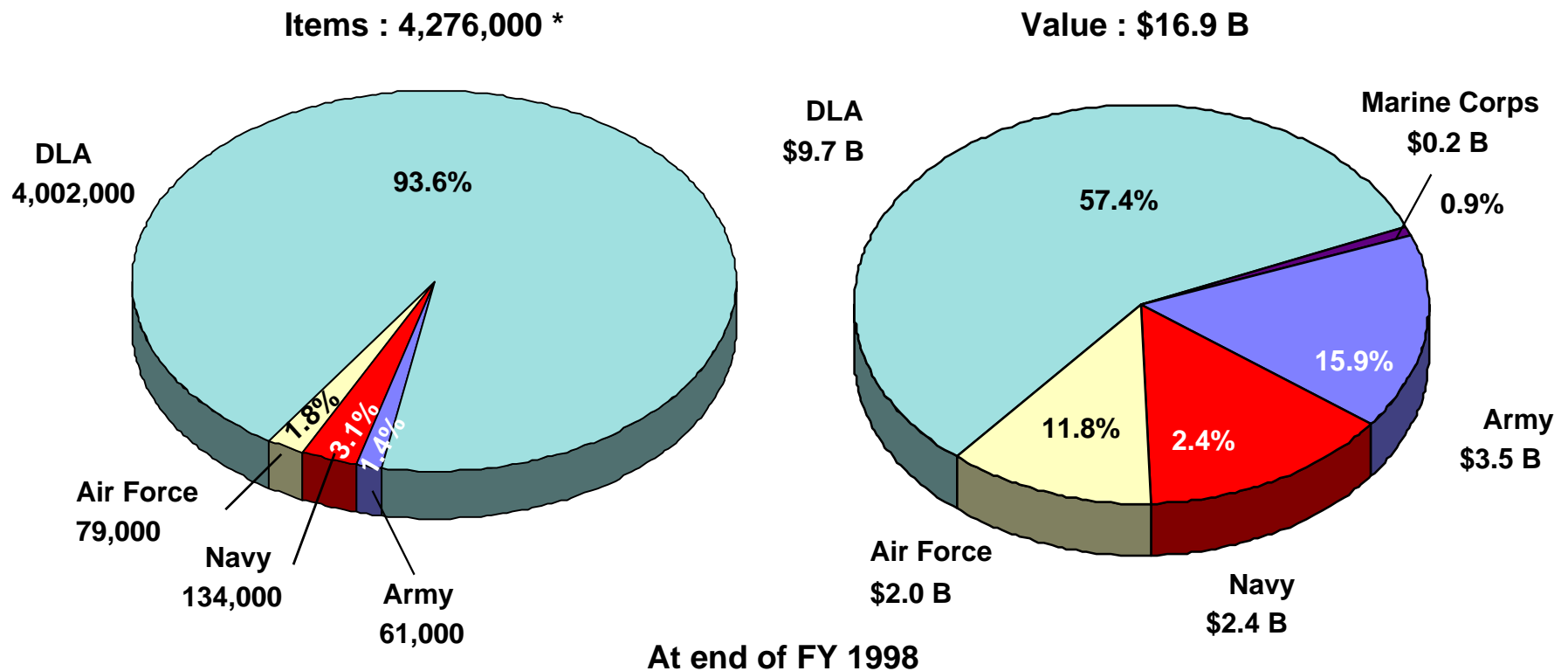
Number of Items and Secondary Inventory by Type



Note: Dollars at DoD Latest Acquisition Cost Method of Valuation

Source: Defense Logistics Information System and Supply System Inventory Report as of September 30, 1998

Consumable Items and Secondary Inventory by Component

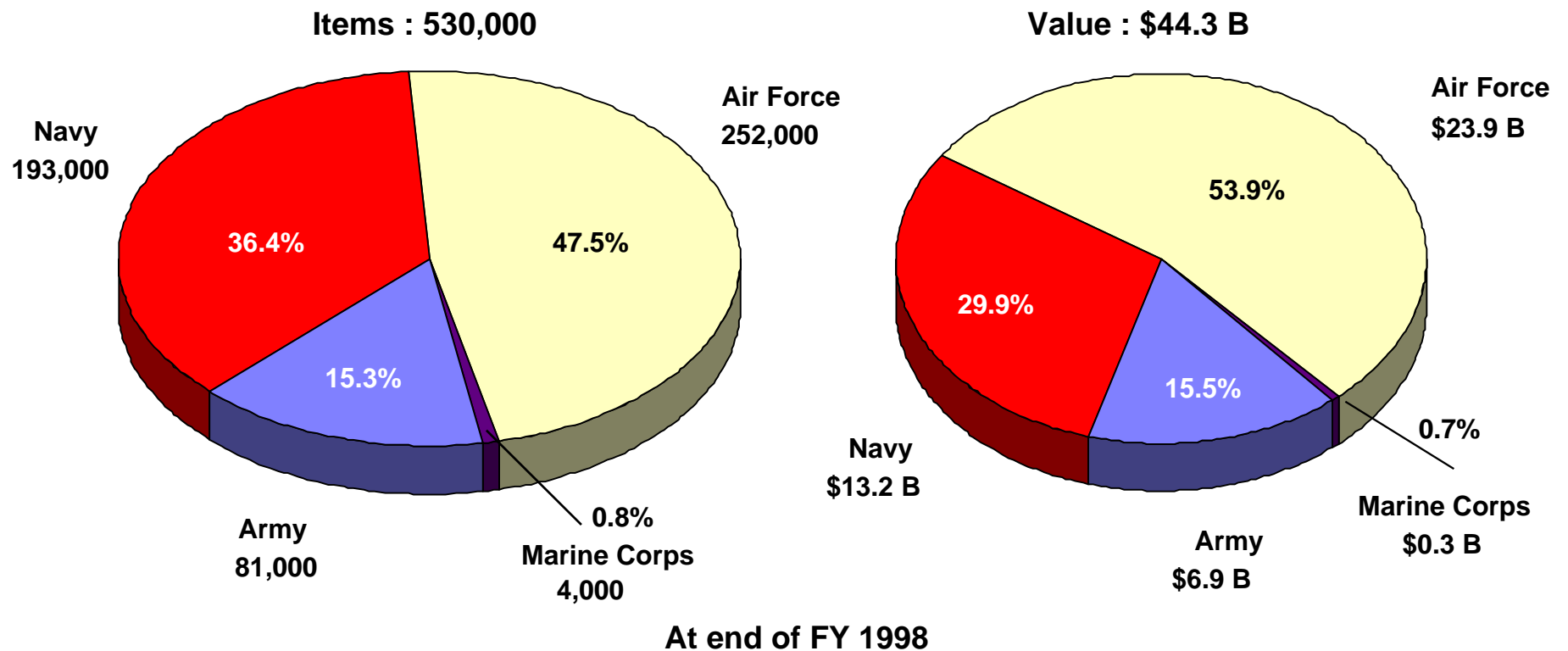


* Marine Corps item count is 15

Note: Dollars at DoD Latest Acquisition Cost Method of Valuation

Source: Defense Logistics Information System and Supply System Inventory Report as of September 30, 1998

Reparable Items and Secondary Inventory by Component

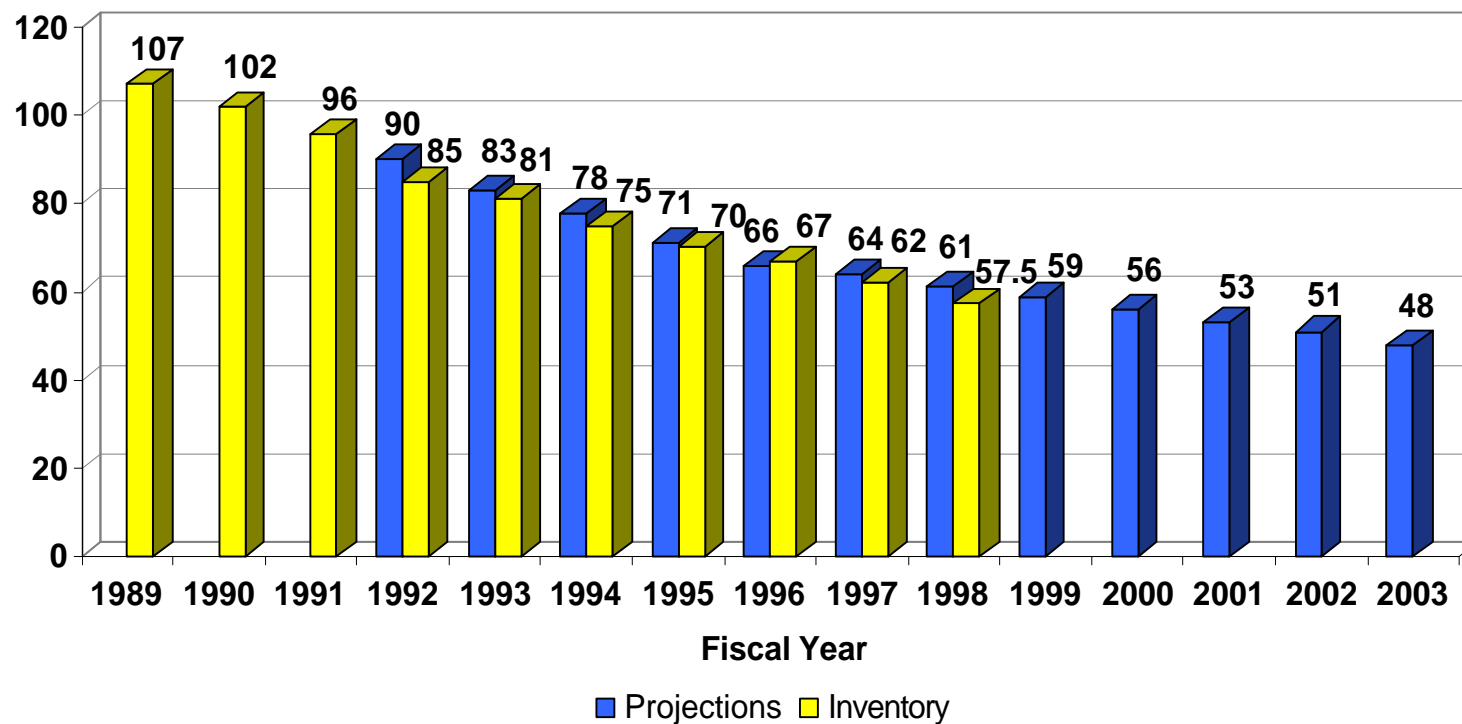


Note: Dollars at DoD Latest Acquisition Cost Method of Valuation

Source: Defense Logistics Information System and Supply System Inventory Report as of September 30, 1998

Inventory Goals vs. Inventory

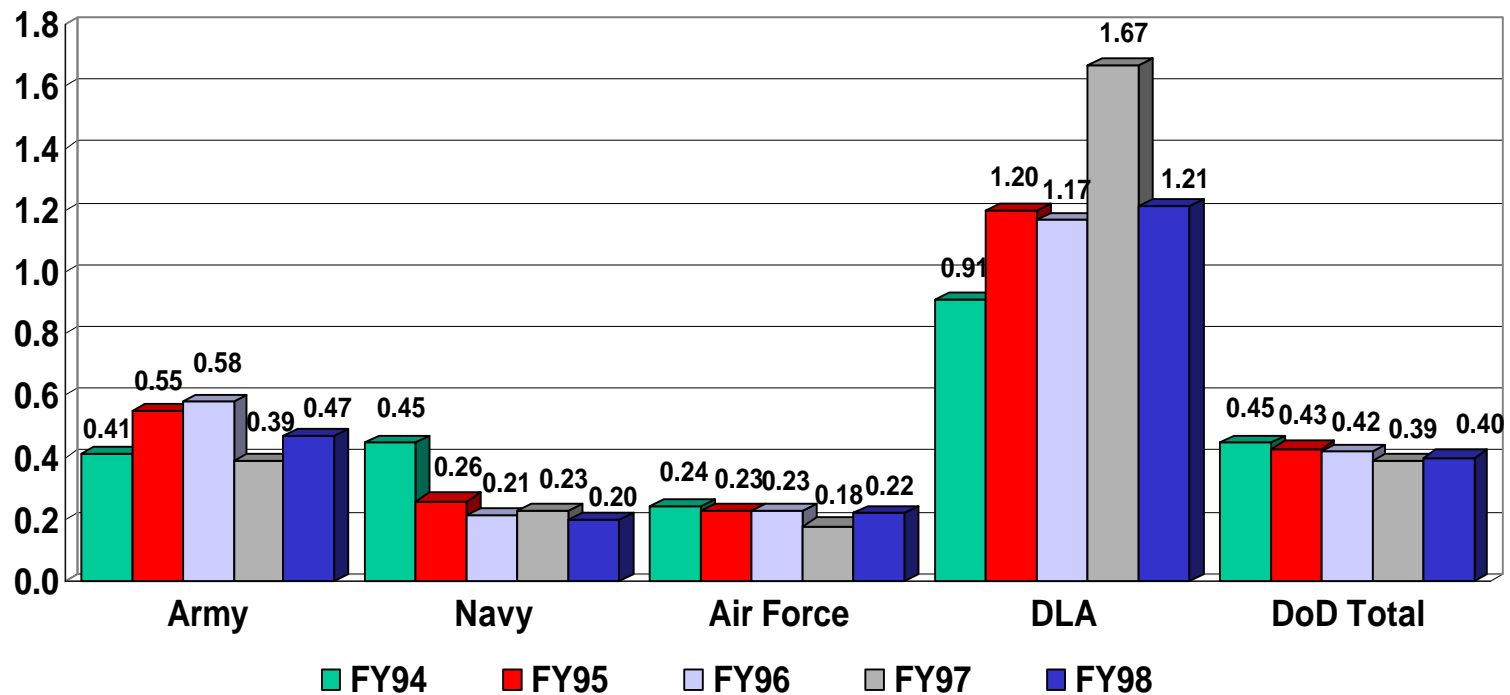
Constant FY95 - \$ Billions at DoD Latest Acquisition Cost Method of Valuation



Source: *Supply System Inventory Report* as of September 30, 1998, and *DoD Logistics Strategic Plan*, 1998 Edition.

Wholesale Inventory Turnover

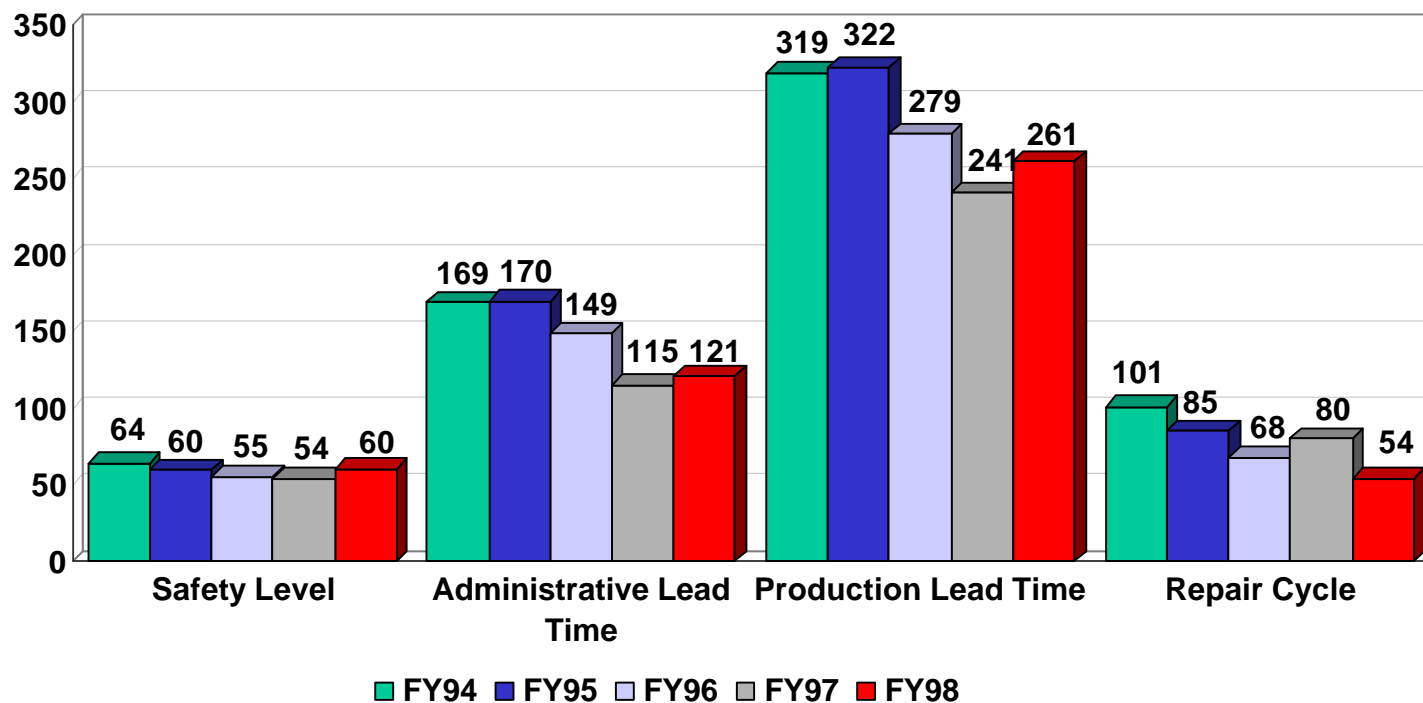
Turnovers per Year



Source: Supply System Inventory Reports and President's Budgets.

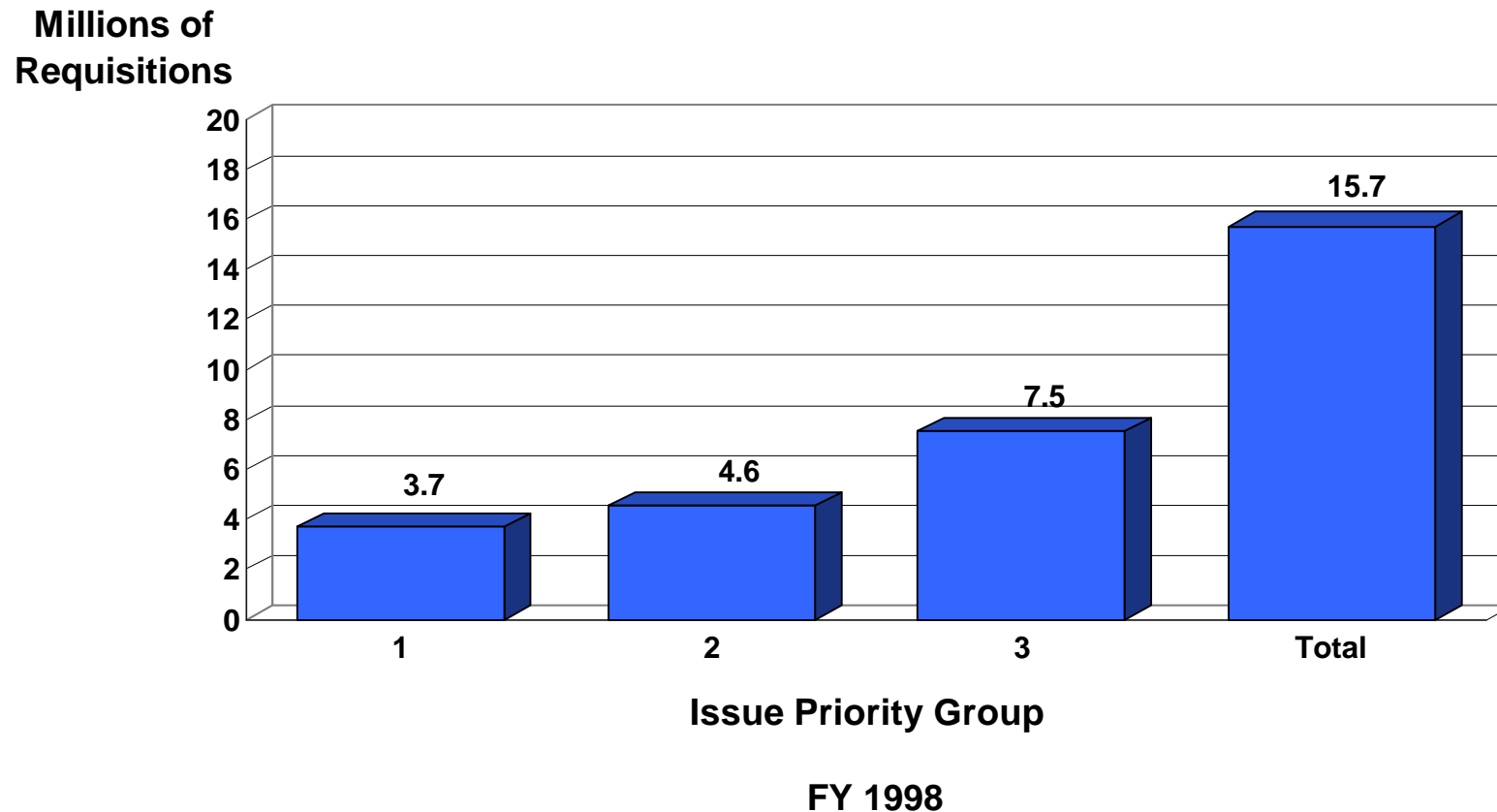
Wholesale Inventory Requirement Levels

Dollar-weighted Days



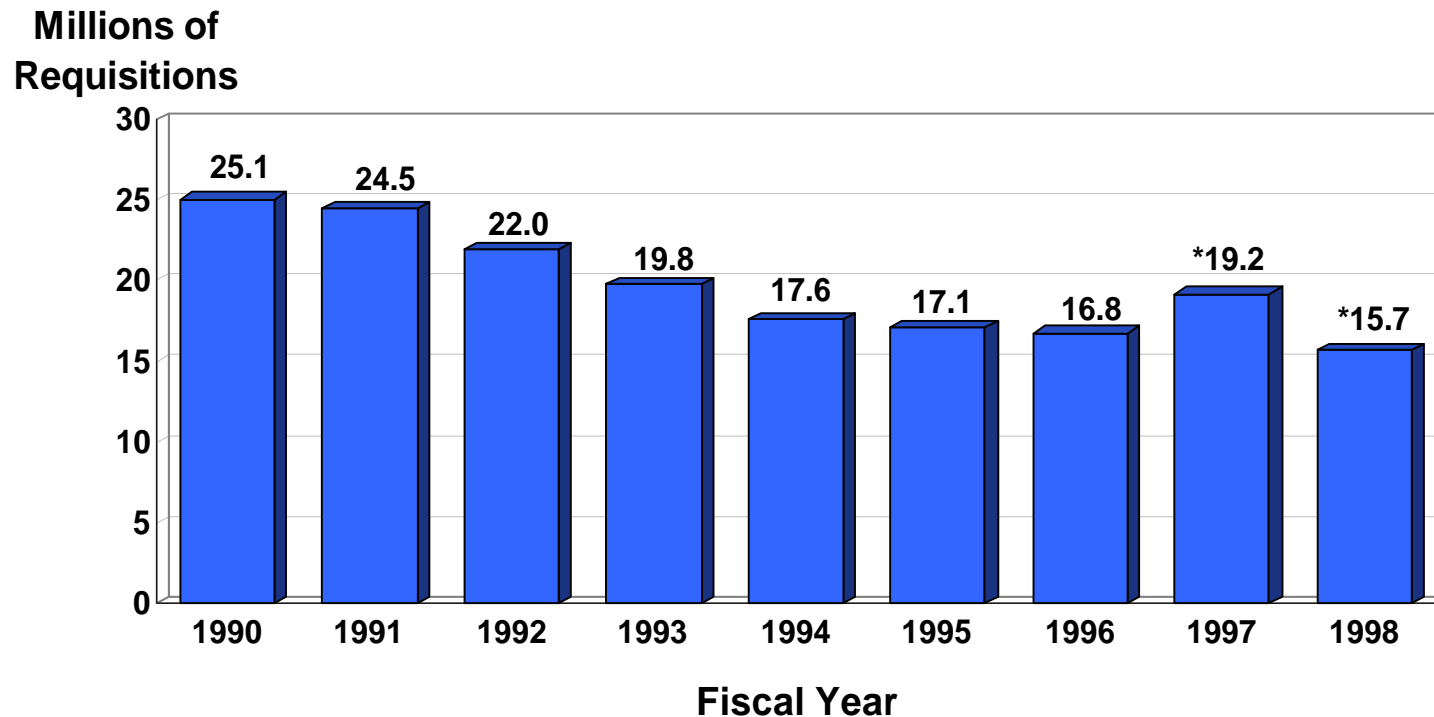
Source: Defense Business Operating Fund Submissions.

Requisitions for Wholesale Stocked Items



Source: Logistics Metric Analysis Reporting System, Oct 1997 to Sep 1998

Requisitions for Wholesale Stocked Items by Year

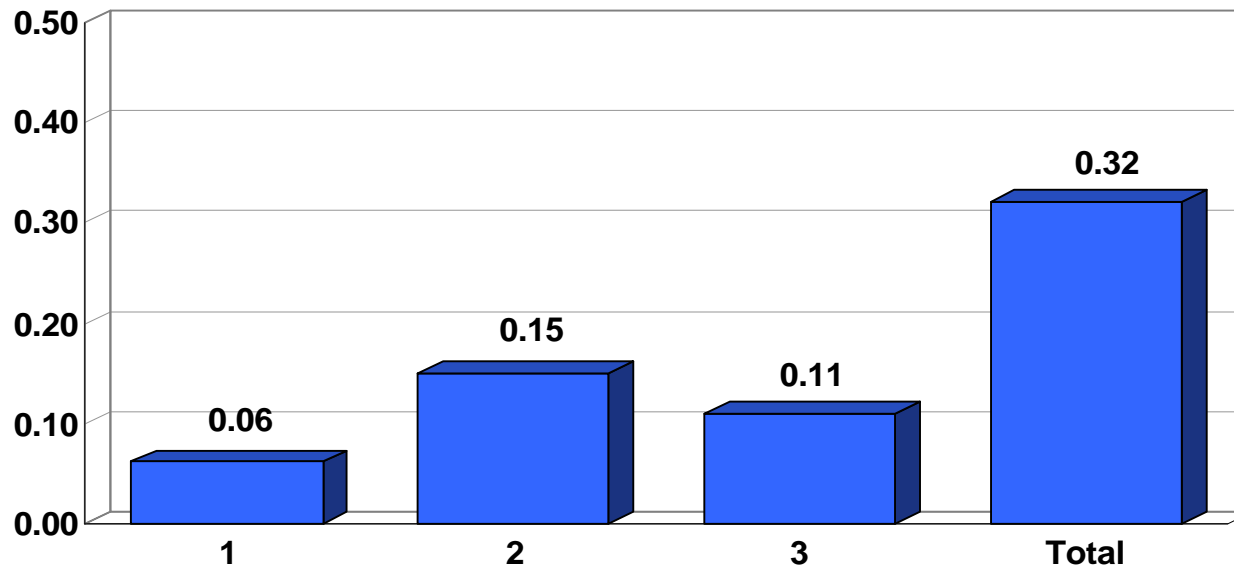


Source: MILSTEP Supply Availability Workload Analysis Report, FY 1990 through FY 1996

* Logistics Metric Analysis Reporting System, Feb 1997 to Sep 1998 composite.

Requisitions for Wholesale Non-Stocked Items

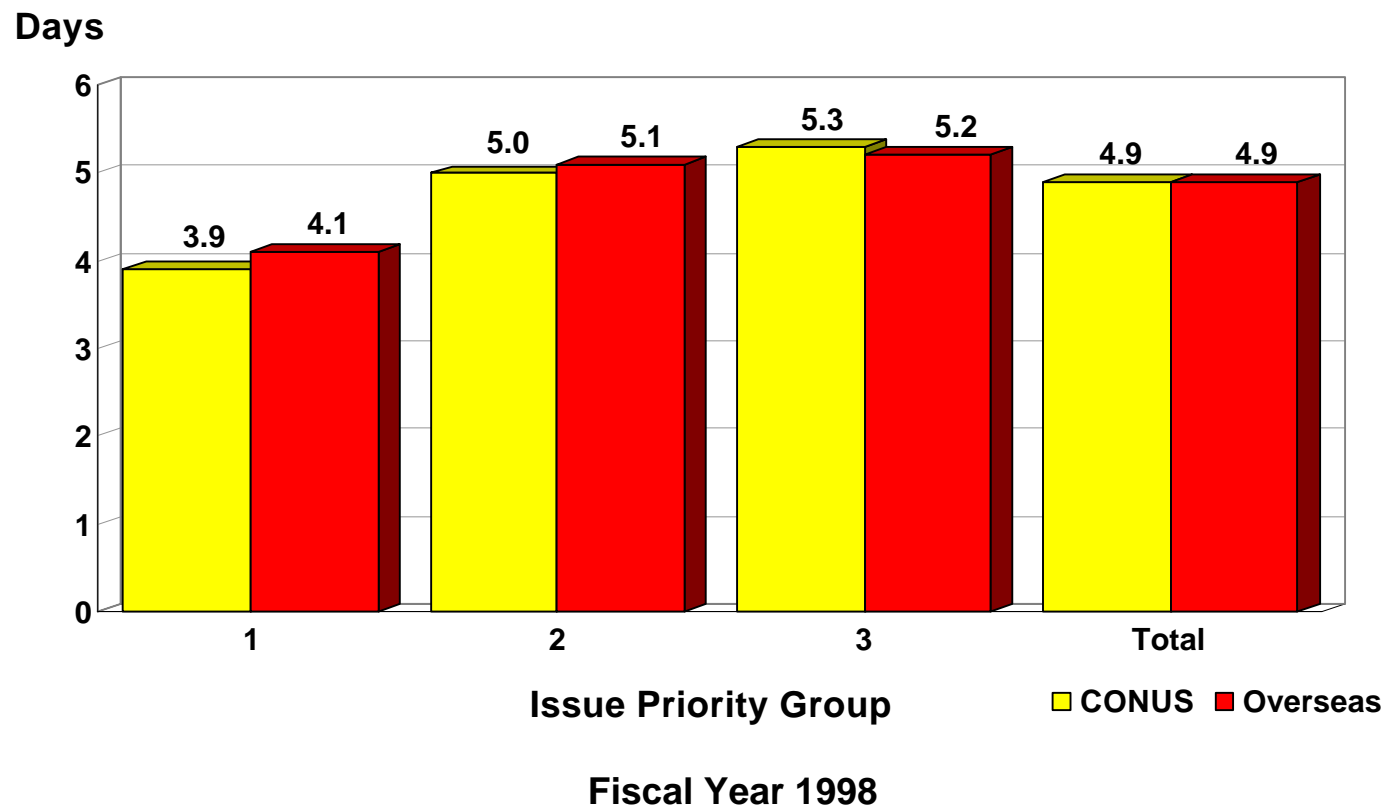
Millions of Requisitions



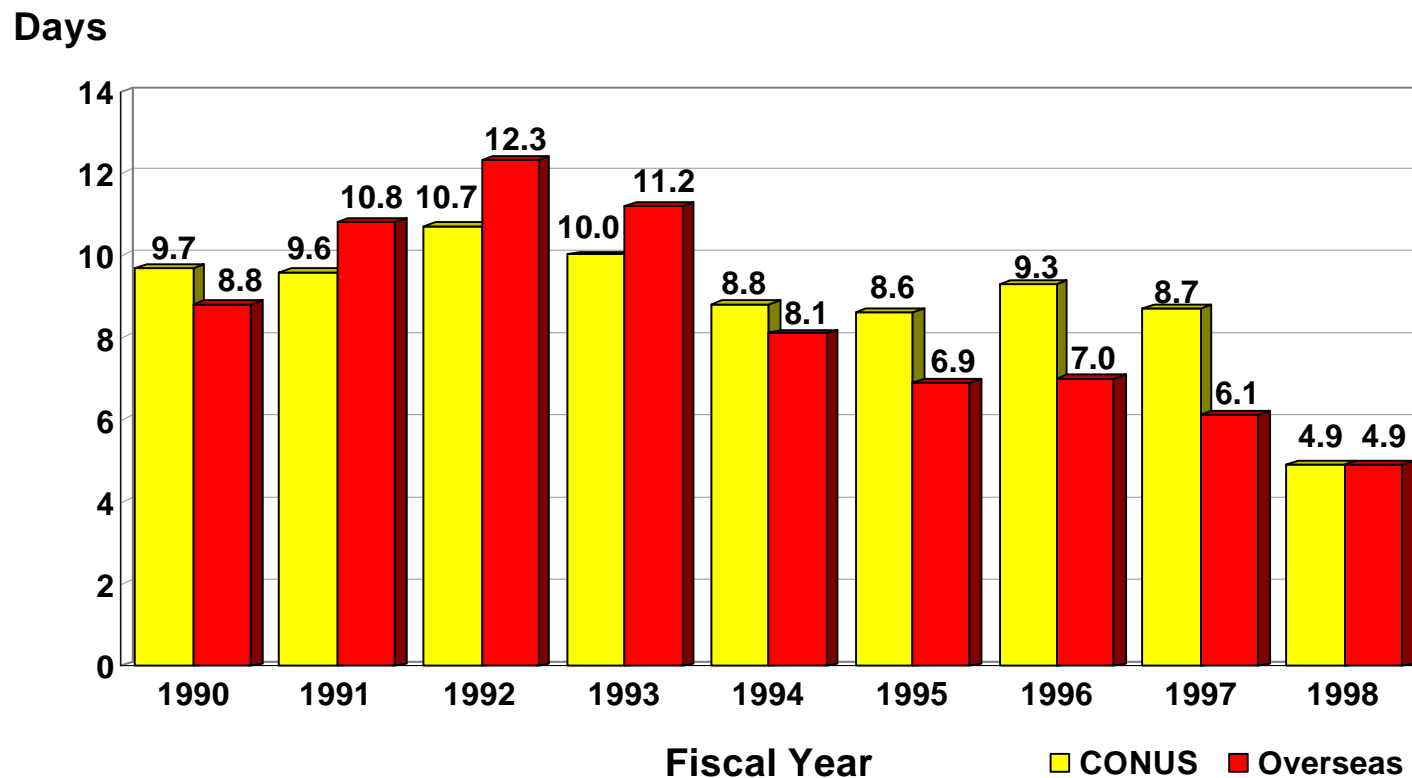
Issue Priority Group

Fiscal Year 1998

Time for ICP to Receive Requisition from User



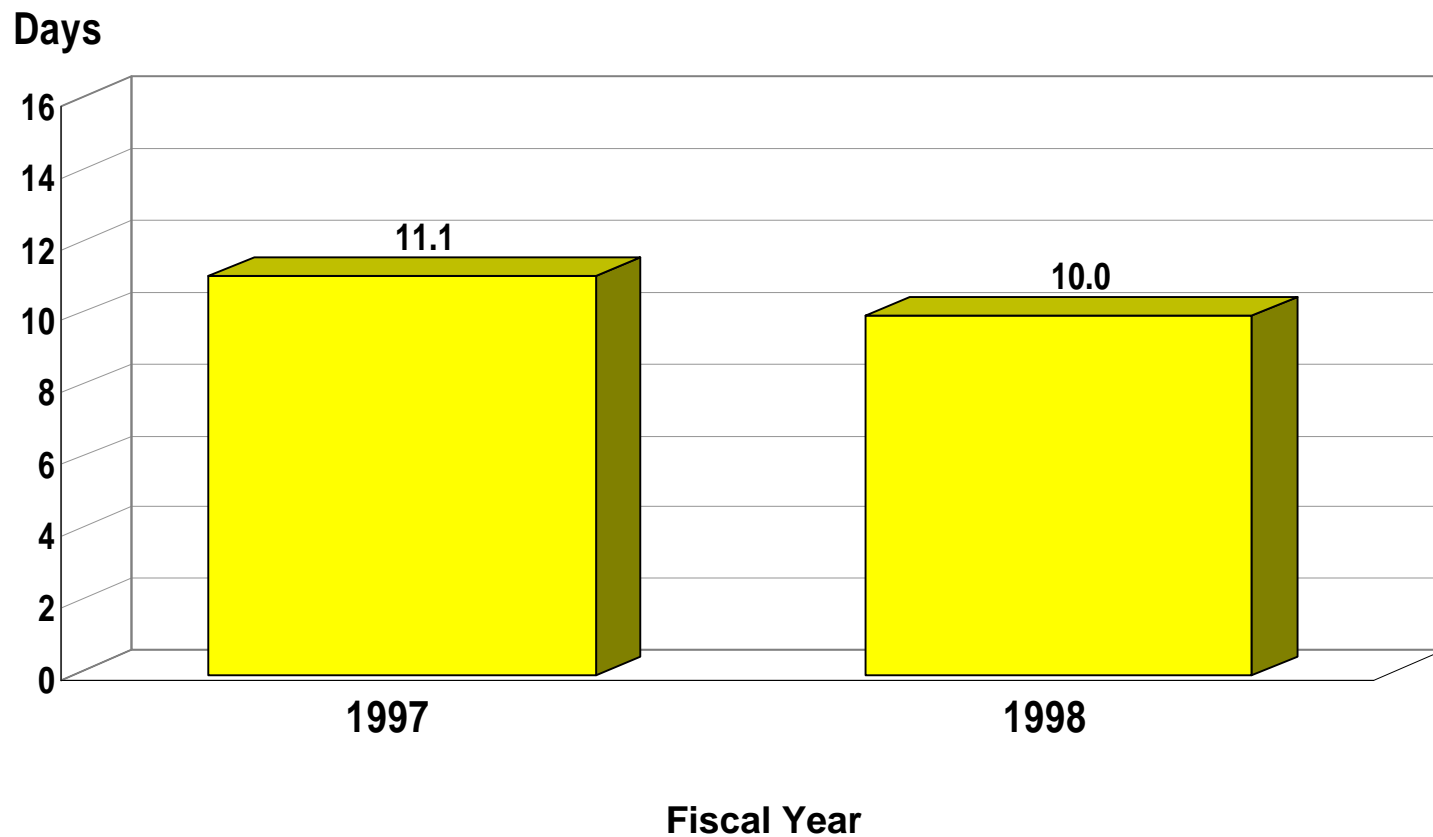
Time for ICP to Receive Requisition from User by Year



Source: Supply Availability Workload Analysis Report, FY 1990 through FY 1996

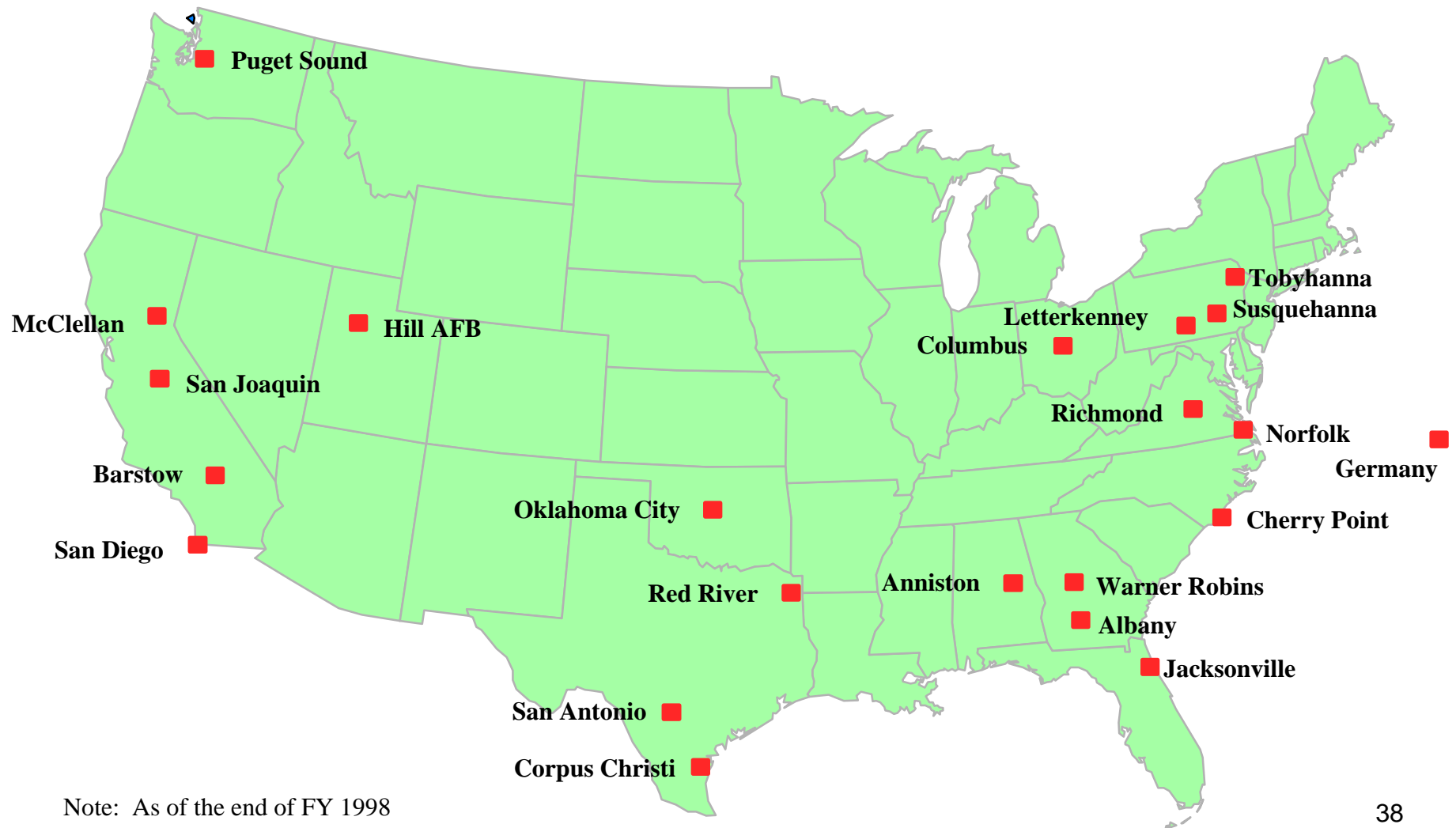
Logistics Metric Analysis Reporting System, Oct 1997 to Sep 1998 composite.

ICP Time to Process Requisition



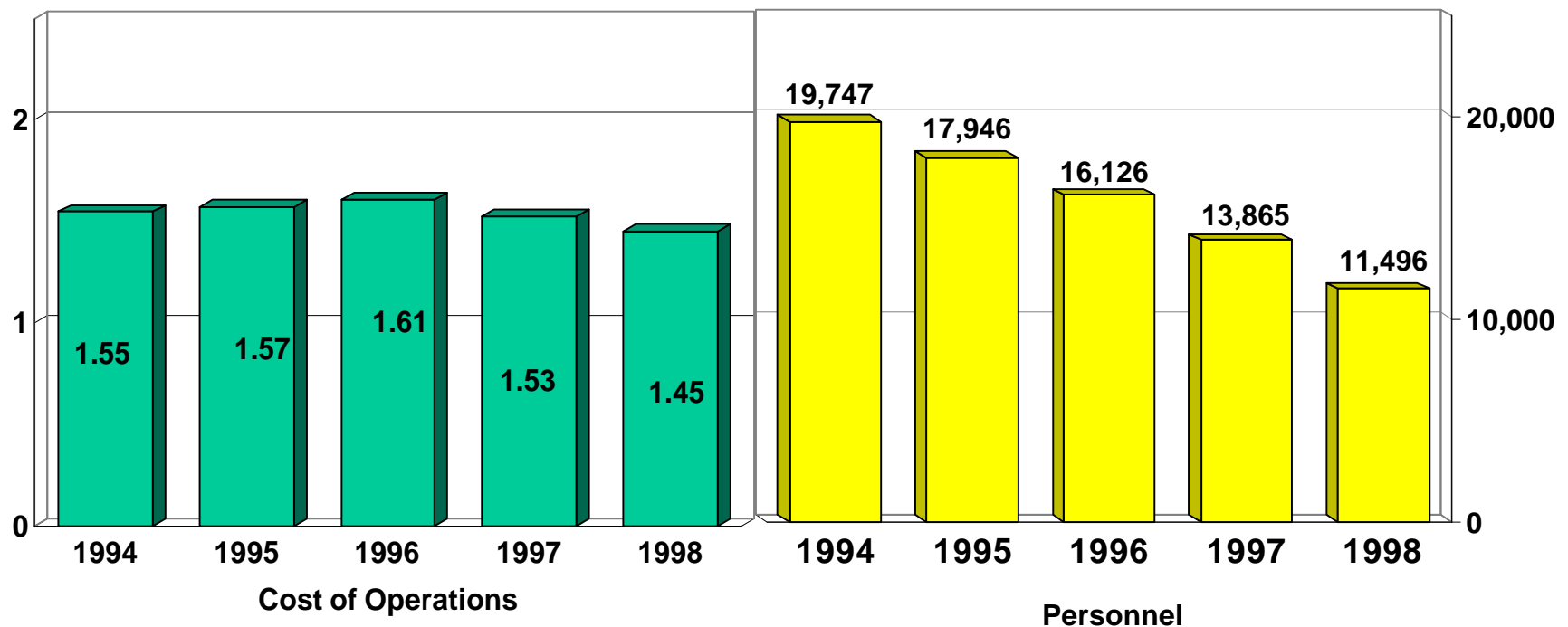
Source: Logistics Metric Analysis Reporting System, Feb 1997 to Sep 1998

Distribution Depot Locations



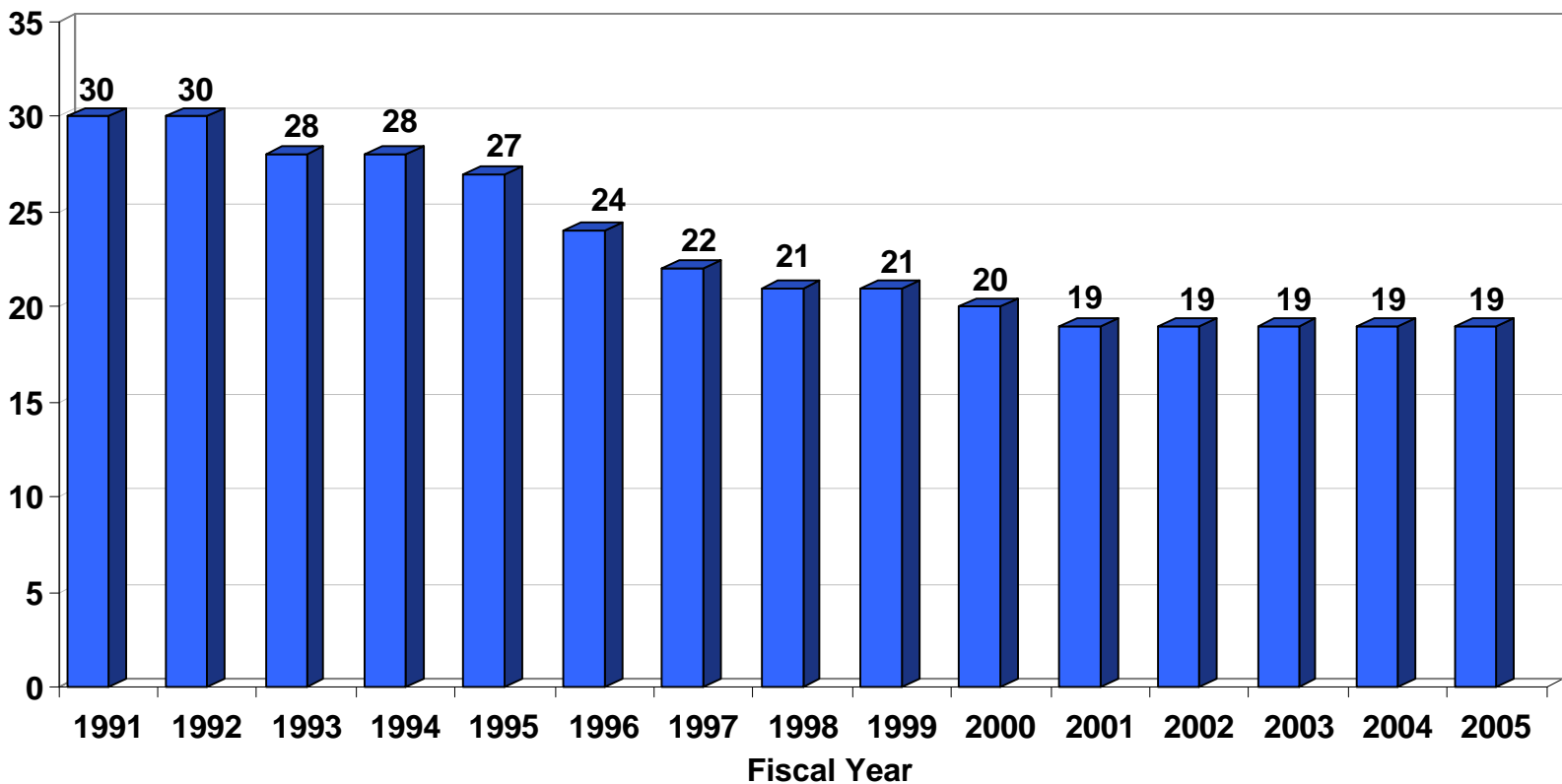
Distribution Management Cost of Operations and Personnel

Current Year - \$ Billions



Distribution Depots Plan

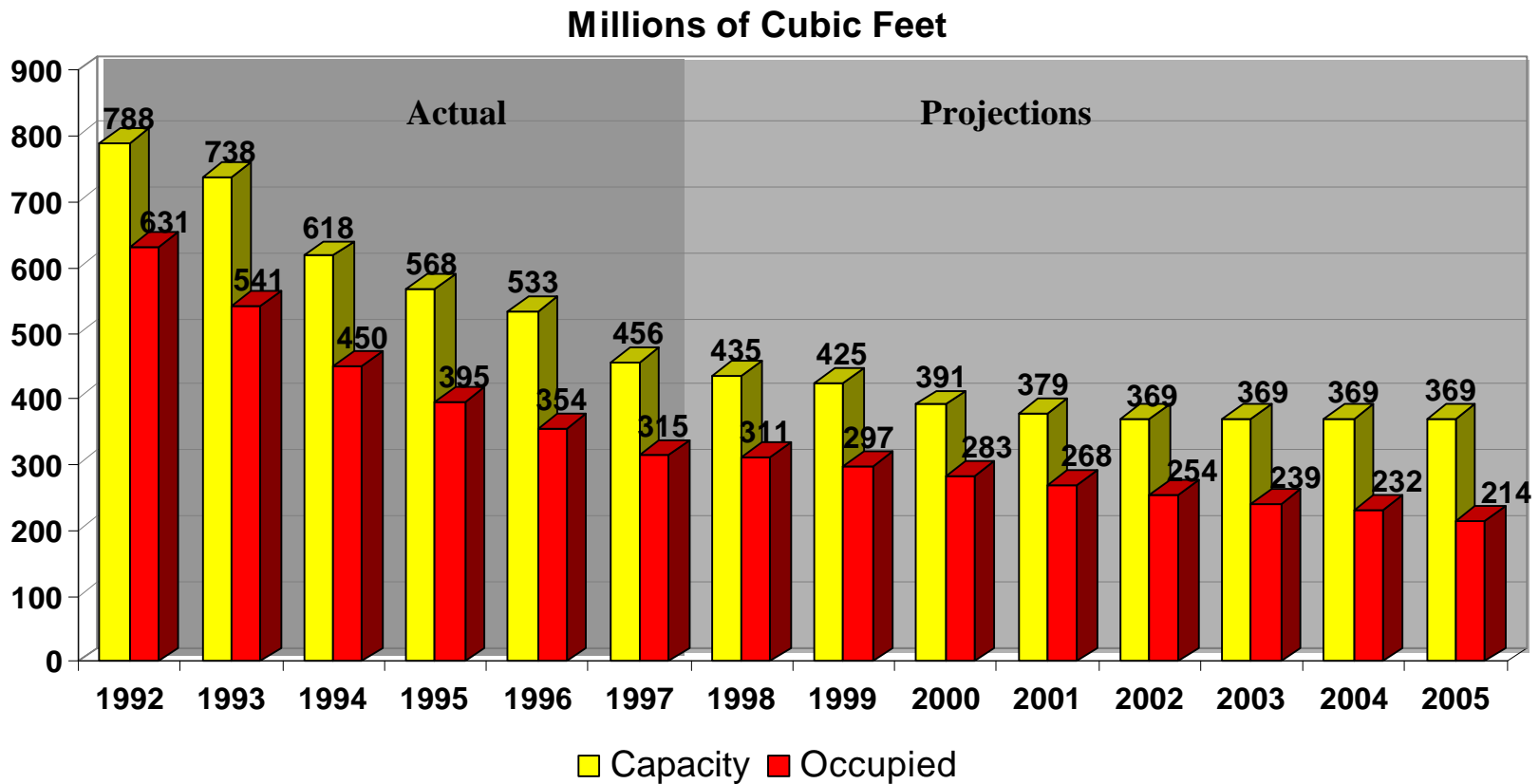
Number of Depots



* 1998 Includes DDDE - Germany

Source: HQ DLA, May 1998

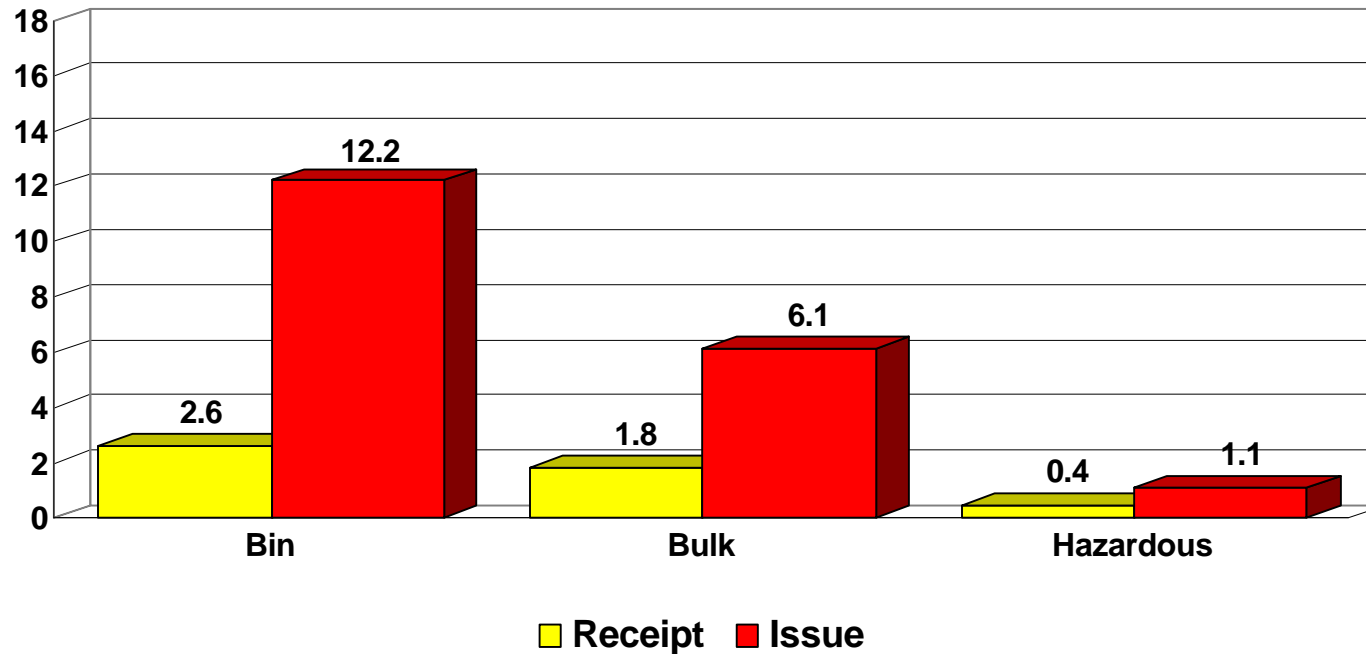
Storage Space



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Distribution Depots Workload

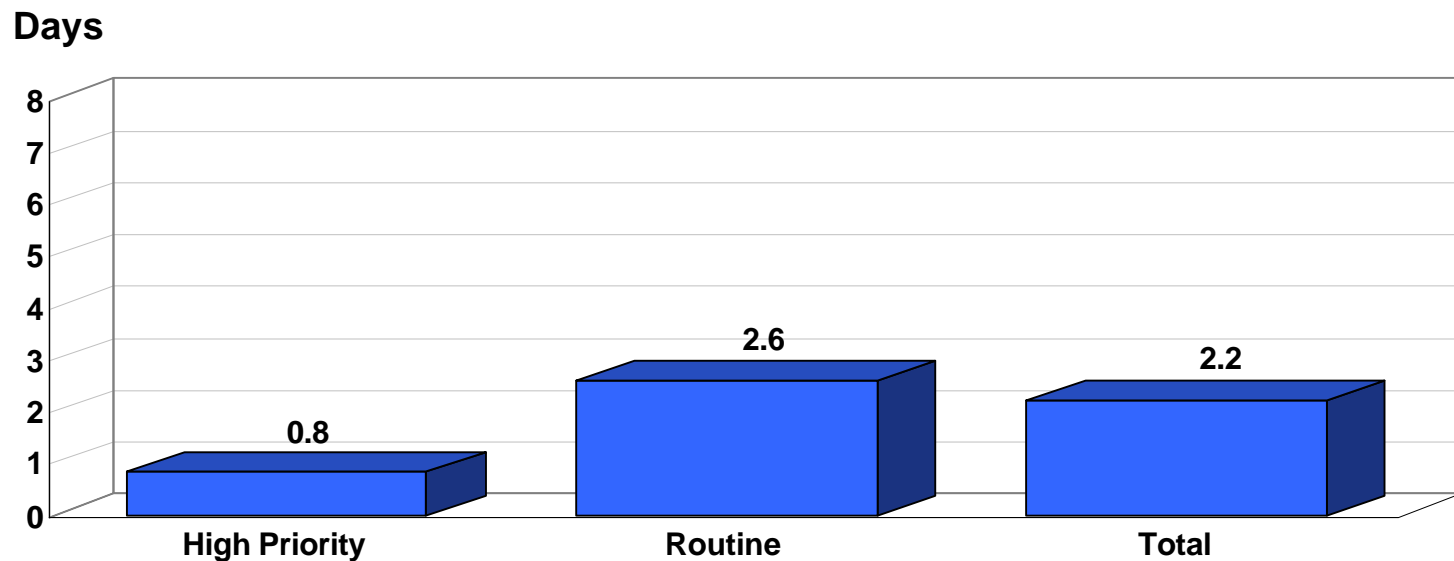
Millions of
Transactions



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Distribution Depots Processing Time

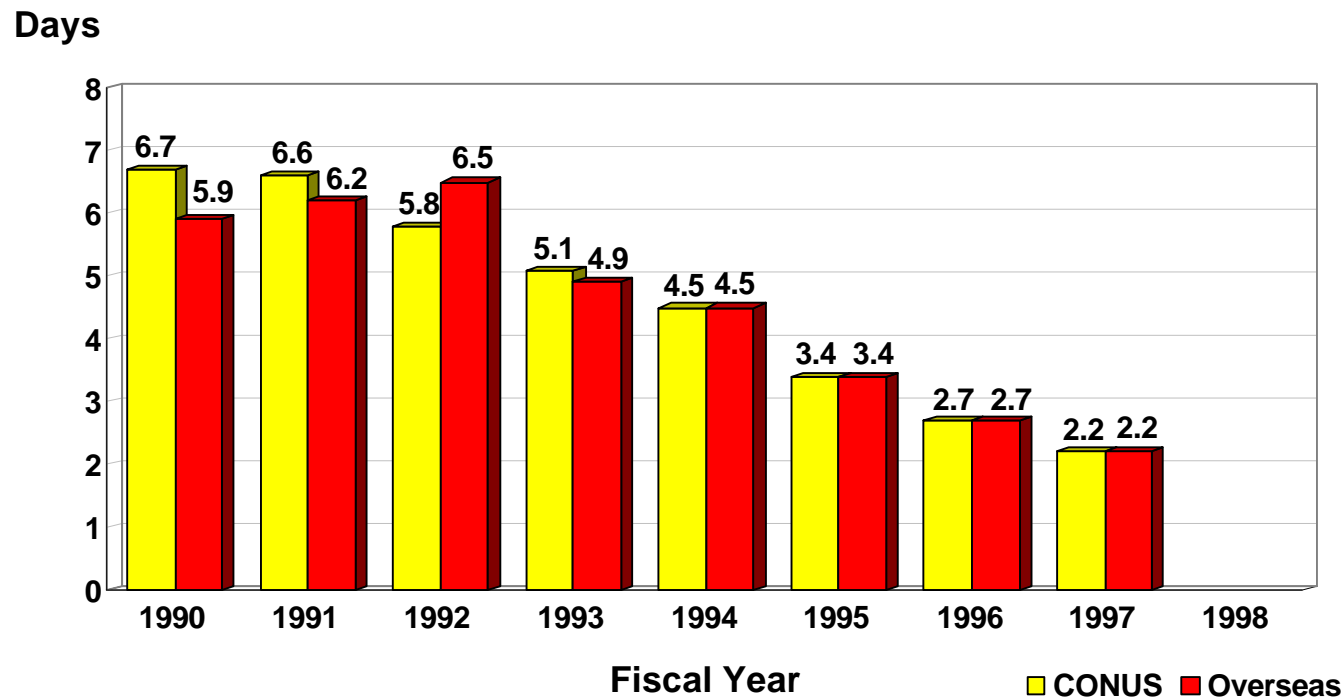
Continental U.S. and Overseas



Fiscal Year 1997

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Distribution Depots Total Processing Time by Year

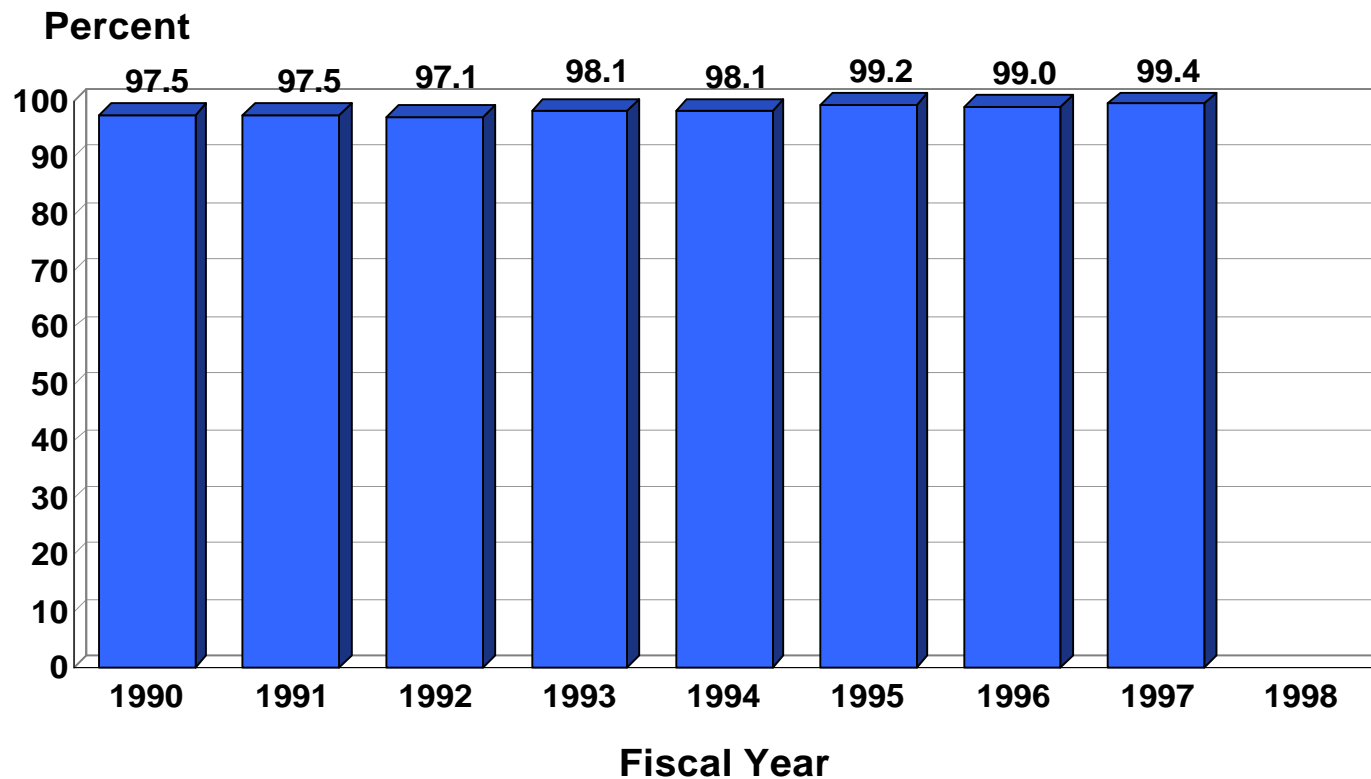


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Source: Requisition Submission and ICP and Depot Processing Time Report, FY 1990, FY 1991, FY 1992, FY 1993 and FY 1994, FY 1995, FY 1996

FY 1997/1998: DLA Distribution Management Information System.

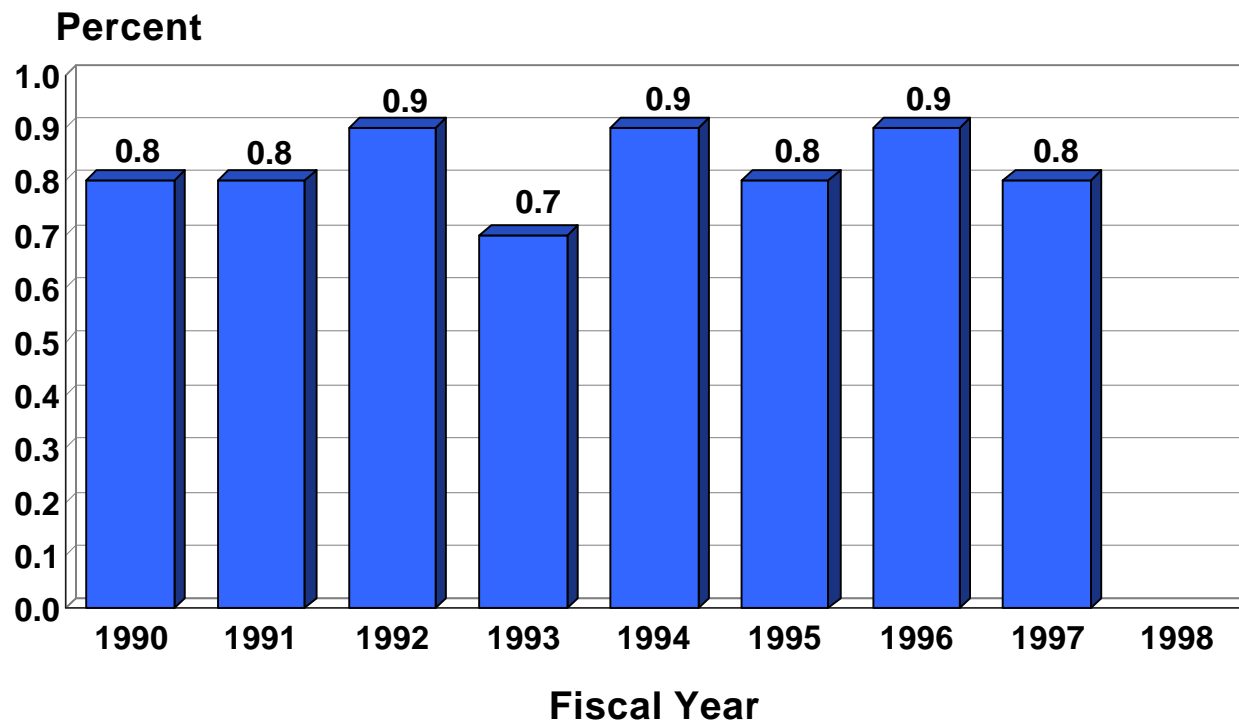
Material Location Accuracy



Note: Excludes Ammunition and Subsistence

Source: DLMSO Inventory Control Effectiveness Report; Data not available from DLA FY 1998.

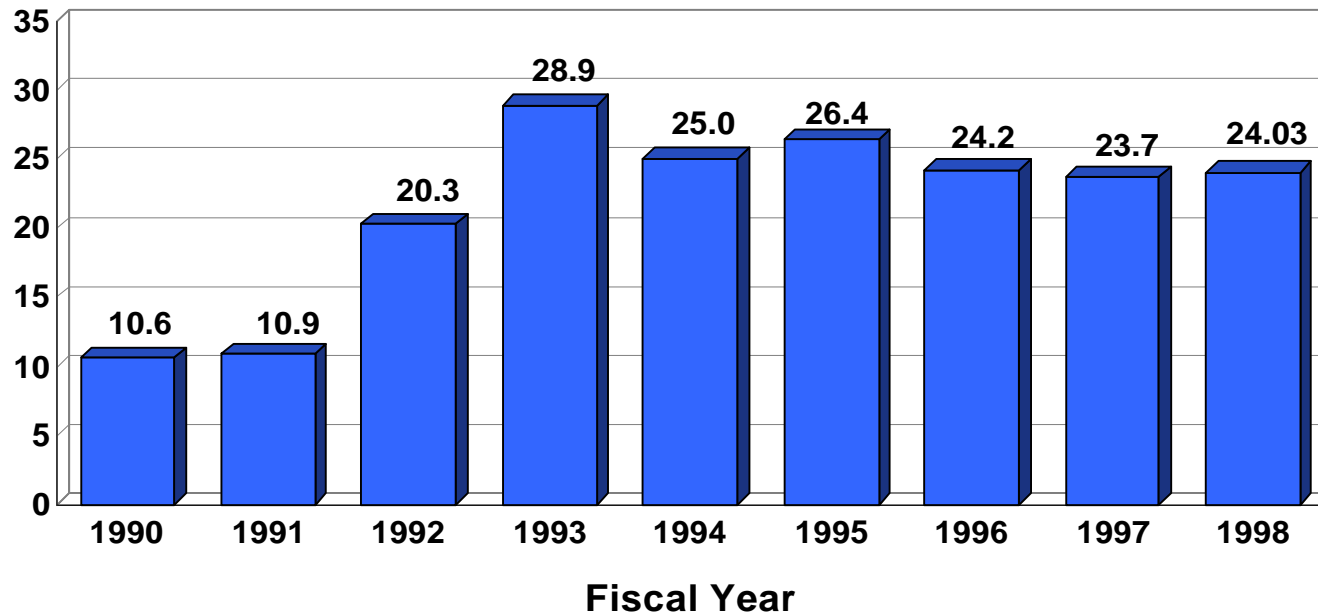
Warehouse Denials



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Materiel Transferred to Disposal System

**Current Year - \$ Billions at
Standard Price**



Note: Includes all disposals except aircraft, ships, and ammunition from end users.

Source: DLA's Program Administrator's Report, FY 1998